

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, NOVEMBER 16, 1933



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The National Underwriter

Thirty-Seventh Year—No. 46

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, NOVEMBER 16, 1933

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Hope to Develop Conference Plan

Company and Agency Committees Working on Proposals to Arbitrate Differences

SOME OPPOSITION AROSE

President Allan I. Wolff of National Association of Insurance Agents Acted as Its Spokesman

NEW YORK, Nov. 15.—The machinery set up by the joint conference of fire, casualty and marine companies on one side and a committee of the National Association of Insurance Agents on the other has started to function. At the meeting here last week the plan evolved by the National Association of Insurance Agents covering 24 points was presented. The joint company committee met in the morning and although the plan had been submitted to some of the leaders and had their approval it met with serious opposition when the entire company group got together. This group not only represented organization companies but outsiders as well. According to the plan submitted by the agents they were to have joint jurisdiction in the enforcement of regulations that might be set up through a new organization. Some companies resented this joint jurisdiction proposal on part of agents especially when it came to rates. The companies themselves did not have a program to present but relied on the agents to draw up a tentative schedule.

R. M. Bissell Presided

President R. M. Bissell of the Hartford Fire presided at the meeting and called upon a number of executives to give their views, some of which were decidedly hostile to the proposed plan. The agents in the meantime had drawn up an amended code, the main section dealing with competitive practices which they announced they intended to file at Washington. The company executives declined to participate in the filing and objected very strenuously to any code being submitted for approval at Washington other than one dealing with hours and wages on the ground that it was a dangerous procedure. The point was made that the NRA authorities only required of insurance a code that embraced wages and hours. The agents evidently did not feel that the competitive practices part of the NRA was necessarily linked up with wages and hours but claimed that every industry was supposed to establish a code dealing with correct practices in order to stabilize the industry and eliminate waste. In other words that part of the code stood as a separate entity. The spokesman for the local agents was President Allan I. Wolff of the National Association of Insurance Agents. Some of the executives were critical of the stand

Tests Are Being Made on Schedule for Farm Risks

TO FAVOR SUPERIOR PROPERTY

Hope Is Expressed That Merit Rating Will Encourage the Lessening of Fire Hazards

Farm men are much interested in the tests that are being made in Wisconsin by C. M. Park, head of the rating department, with a proposed simple farm insurance schedule. The Farm Association suggested the adoption of a schedule in Wisconsin for rating all farm risks so that those of high order would get more consideration and those below the average would be penalized. Some farm underwriters have been convinced for a long time that the flat rates on farm property regardless of condition or desirability of property were hardly fair to the owner of buildings where by construction, exposure and arrangement there was less likelihood of loss. The schedule is a rather simple one, giving credit for improvements and penalties for defects. If it is found practical and workable in Wisconsin it undoubtedly will gradually be introduced in other states.

Inasmuch as the Western Underwriters Association and Western Insurance Bureau have now included the hail coverage in windstorm policies for regular residence risks undoubtedly the practice will be adopted with farm insurance.

taken by the agents, declaring that they were treading on dangerous ground in going beyond what the government required.

The meeting evidently was making but little progress when it was suggested that a recess be taken in order that the companies might talk over the situation further. This was done and the agents were later recalled to the meeting room. President Bissell read a resolution that had been drawn up as follows:

"Resolved that this meeting of casualty, fire and marine insurance companies informs the representatives of the producers of its intention to have subcommittees appointed for the purpose of conferring with producers and otherwise investigating phases of the insurance business which it may be considered are inimical to it and that such conferences should be preliminary to the consideration of the establishment of methods for making effective any conclusions agreed upon."

Claimed Resolution Was Ambiguous

Some of the agents took the ground that this resolution was rather ambiguous and that it did not pledge the companies definitely to agree to a cooperative plan whereby the two interests would have a forum where they could meet and establish a tribunal where trade differences could be arbitrated. They declared it was not direct and positive. President Wolff, however, in his talk gave the impression that the agents viewed the resolution as an expression on part of the companies of their desire to work in harmony. Some of the agency committee, however, were dissatisfied that no action was taken on

Special Farm Department to Be Formed by Pacific Board

ACT AT SEMI-ANNUAL MEET

New Body Would Inspect All Risks and Compile Data for Loss Reduction

SAN FRANCISCO, Nov. 15.—The Pacific Board has approved the recommendation of the farm committee to proceed with plans for the ultimate formation of a special farm department within the board. This action was taken at the semi-annual meeting of the board in Del Monte and was in answer to a request contained in the report filed by the committee headed by Manager John C. Dornin of the Springfield Fire & Marine. The department would include special inspectors to inspect all farm risks in behalf of all companies. Data would be compiled within the department with the object of definitely determining a true condition as to farm fires.

It is the hope of the committee that such a system would reduce the number of fires and improve the character of risks written. The present system of agents' inspections is said to be practically useless. The action of the board authorizes the farm committee to prepare the necessary amendments to the board's constitution to be submitted to all members. It is then planned to hold meetings with the farm committee of the California Association of Insurance Agents.

The supervisory committee reported the board's costs of operation had been reduced 27 percent since 1930. The public relations committee and the special committee in enforcing separation for automobile business among board fire agents also reported but action on the latter was held up until the views of the eastern executives' organizations can be determined.

a concrete nature. However, there was a later conference of the companies and assurances were given that the executives were thoroughly sincere in their effort to establish the tribunal that the agents asked for.

The agents demanded first, that there be set up a conference or organization where fundamental issues in dispute could be brought, argued and settled. In the second place, agents demanded full representation in this tribunal. They demanded further that enforcement machinery be set up so that all parties to the agreement would be bound by the provisions and if they were violated they would be penalized.

Look Toward Successful Culmination

It seems to be the general opinion that eventually a plan will be developed that will meet with approval of all hands. It is an entirely new procedure and it will take some time to explore all the avenues and talk over the issues that will be brought forward. In the meantime there were three company subcommittees appointed to deal with the 24 points brought up in the agents' program. One will take up all questions relating to or tying in with rates. An-

Monetary Status Grips Attention

Foreign Company Officials Watch the Drifts in This Country

NOW AT A DISADVANTAGE

Dislike to Depart From Long Time Conservative Policy of Investing in Bonds

NEW YORK, Nov. 15.—Most of the United States branches of alien companies in these days of uncertainty as to the monetary situation, are holding the permissible maximum of so-called "home bonds." Under the New York law, a United States branch may invest in bonds of its home country to an amount equivalent to its deposit in this country and with a depreciated dollar, those branches which did not hold the maximum of such securities, have proceeded to complete their quota.

The foreign companies are watching the monetary situation in this country with intense interest and considerable anxiety.

Will Be at a Disadvantage

In the past, the conservative foreign companies translated their United States funds into home currency at the par rate of exchange for statement purposes although the dollar was at a premium. That is in line with their principle to use book or market values whichever is the lower. This year, however, with dollar depreciation, the foreign companies will be at a disadvantage in this respect.

Foreign companies, as a rule, have followed the policy rather consistently of investing in high grade, long term bonds. They dislike to depart from this policy, but they are giving serious attention to the problem.

Although dollar depreciation means that a less amount of home office funds than formerly is required to help United States branches when assistance is needed, it also means that more United States funds are required to produce as much "home" funds as formerly.

other will deal with anything that has to do with acquisition cost, commissions, and the like. The third will take up the other items not covered by these two. It is understood that separate company executives will be on each of these committees while the agency code committee will act as a unit and meet with each of the company committees.

Hope to Meet Week of Dec. 4

The agency committee consists of the executive committee and officers of the National Association of Insurance Agents and H. E. McKelvey of Pitts-

(CONTINUED ON PAGE 11)

Clyde Smith Lambasts the Chiselers and the Cheaters

WANTS OFFSIDER DRIVEN OUT

Lansing Local Agent Declares That Certain Practices Should be Abandoned for Assured's Benefit

At the regional meeting of the Michigan Association of Insurance Agents at Grand Rapids, Clyde B. Smith of Lansing, former national president, said that the unsatisfactory conditions prevailing in the field can be cleaned up by proper cooperation between companies and agents through the proposed machinery that has been suggested in recent conferences in the east. Mr. Smith urged that the cheaters and chiselers be driven out, saying that insurance buyers will profit largely if the business is conducted in a straightforward fashion.

Inconsistency Is Pointed Out

Mr. Smith cited as an example of inconsistency the fact that one company charges \$25 for liability and property damage on a Ford car, while another charges \$12 or \$14. Both cannot be right, he said. One company sets up a 60 percent claim reserve on \$25 or \$15, another puts up 60 percent of \$14 or \$8.40. There is a great difference therefore between these reserves that are set up for claims. They are based, of course, on the original premium. He said that a prominent bureau company recently insured a fleet of 30 or 40 buses at 35 percent off manual rate. Yet these buses had only been in operation for a few months. No experience had been developed. The company is putting up 39 percent of the actual rate as a claim reserve.

He said that Michigan has no insurance rating law and hence the country-wide fleets are equity rated only in Michigan and other states have no rating laws. All cars in New York are charged the full rate. It has been stated, he said, that some of these fleets have a credit in outside states of 80 or 90 percent in the rates.

Policyholders Will Be Disappointed

In referring to the Michigan financial responsibility law, he said that many policyholders will be disappointed because they will find that their cut rate policies are valueless when a judgment is actually returned against them.

Mr. Smith charged that one of the most powerful retail chains is carrying its fire insurance in London Lloyds and the assured is therefore violating the Michigan law prohibiting the purchasing of insurance in non-admitted companies. He said that the line is handled by a Chicago agency. He stated that this same office is representing strong American stock companies and they evidently are doing nothing to correct the situation. He said that there are agencies in "excepted cities" that have companies for the express purpose of taking business at cut rates from more legitimately operated companies. Mr. Smith asserted that the blame cannot be placed entirely on companies because they are pressed to do a lot of things by agents.

Grand Rapids Board in Charge

The meeting was held under the auspices of the Grand Rapids local board. It was called the annual meeting of the Grand Rapids association but it was attended by agents from Kalamazoo, Lansing, Muskegon, Saginaw and Owosso. Insurance Commissioner Gauss, Second Deputy R. M. Wade, Chief Examiner Reault and R. M. Morse, head of the licensing division of the insurance department, were present.

Steps were taken to build up the membership of the Michigan association which has been hit hard by the depression, forcing many agents out who did not continue paying their dues. C. D. R.

(CONTINUED ON PAGE 11)

Wisconsin Suit on Mortgage Clause Seen Bad Precedent

FIRE COMPANY IS PENALIZED

Case Taken to Supreme Court Involving Refusal of Contract Right to Rebuild Property

A dangerous precedent is seen by insurance attorneys and underwriters in the case of the State Bank of Chilton, Wis., vs. Citizens Mutual Fire of Janesville, Wis., which is being carried to the Wisconsin supreme court and involves a question whether because of the standard mortgage clause in fire policies a company in case of a loss involving mortgaged property is estopped from electing to rebuild.

In this case judgment for \$4,100 was secured by the bank after the company had elected to rebuild a barn on the farm of Robert Mortell, which had been destroyed. The judgment was affirmed by the appellate court from which the appeal to the high court was taken by the mutual.

Penalized \$1,100 by Decision

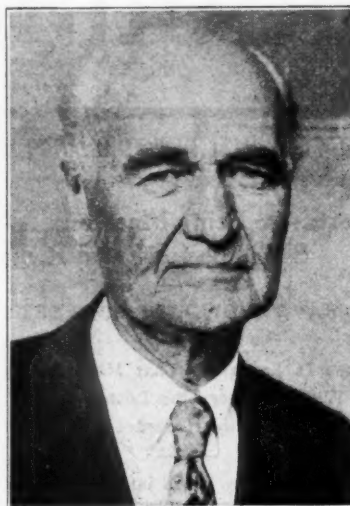
It is said in this case that the cost of rebuilding would be only approximately \$3,000. Thus if it were forced to pay the mortgagee the cash on its claim under the standard mortgage clause, the mutual would be penalized \$1,100. The clause is the regular one reading: "Loss or damage, if any, shall be payable to — as its interest may appear," and is used throughout the country by all kinds of carriers, including stock companies.

The appellate court in Wisconsin ruled that the clause giving the company the election to rebuild is one of the printed provisions in the contract but the mortgage clause, being attached by separate endorsement, becomes a new contract and thus takes priority. It is said this point never before has been tried in Wisconsin, but there have been some cases elsewhere.

Judgment originally was rendered by Judge Beglinger of the circuit court of Calumet county, who decided that the mortgage clause took precedence over the policy provision giving the company the right to rebuild.

The question raised is one interesting to all fire insurance companies. If the supreme court decides for the bank, it is said, then whenever mortgaged property is burned the cash loss must be paid to the mortgagor to be applied in reduction of the mortgage and the company cannot exercise its option to rebuild even though the rebuilding would put

Former Ohio Department Head, Agents' Leader, Dies



JUDGE W. H. TOMLINSON

Judge W. H. Tomlinson, 71, former superintendent of insurance of Ohio and later for 12 years secretary and general counsel of the Ohio Association of Insurance Agents until his resignation last March, died at his home in Dayton Sunday night. He had been in poor health for several years. He was born in Dayton and admitted to the bar there.

When James M. Cox was elected governor of Ohio, Judge Tomlinson was placed in charge of the newly created blue sky department. From that post he was later transferred to superintendent of insurance under the same governor.

the mortgaged property in the same condition as when the mortgage attached, and would preserve the security of the mortgage.

The case also is interesting because if the amount of cash loss determined should happen to be far in excess of the cost of rebuilding, the company even then would have to pay the larger amount.

As a matter of fact, the rebuilding, it is said, would fully indemnify the assured. Fire insurance generally is regarded as indemnity for actual loss sustained by the assured through fire. Anything additional which must be paid by the company on a loss must be absorbed by the premium-paying public.

Agitation of Buyers' Group Stirs Insurance Interests

WATCH SAN FRANCISCO MOVE

Demands of Permission to Help Draft Contracts Recalls Observations of Bert W. Levit

SAN FRANCISCO, Nov. 15.—A meeting of the Insurance Buyers Association of San Francisco will be held Nov. 17 to hear F. E. Slayter, manager Manufacturers Mutual Fire, discuss "the desirability of having the insured participate in the framing of insurance contracts, rather than to leave this vital matter to the companies and brokers." It is announced by the association that a series of similar meetings has been arranged to afford opportunity to representatives of the various types of insurance carriers, including stock, mutual and reciprocal, to present the merits of their respective organizations.

Early this year A. G. Westcott, who operates an ice business in San Francisco, addressed the Pacific Fire Underwriters Association, contending the insurance buyer had a right to participate in the preparation of policies, forms and procedure affecting the assured. Bert W. Levit, San Francisco attorney, who has had insurance law experience, last August gave an address to the Insurance Buyers Association, replying to Mr. Westcott's argument.

Mr. Levit endorsed Mr. Westcott's views that the public should be better informed as to the fundamentals of coverage and risk. However, he took issue with the contention that the buyer should be permitted to help prepare forms. He pointed out that the insurance business is highly specialized and most of its executives have spent lifetimes in the study of the business.

Normal Competition

The development of new forms of coverage by closer understanding by the insurance company of the buyer's problem, he said, should be the natural outgrowth of normal competition between independent insurers.

As to uniformity in policy forms, he said when the obstacles in the way of securing uniformity under the present plan of government are considered, the wonder is, not that there is still much left to be done, but that so much has been accomplished in the way of standardization and simplification. He cited the similarity of policy forms, establishment of standard forms bureaus and national adjusting units, standardization of rating methods, widespread adoption of the National Board's model arson law. Many variations in these accepted standards, he said, are forced upon the companies by ambitious brokers, agents and insurance buyers in their desire to get something a little better than the next fellow gets. As far as insurance is concerned, he said, obtaining uniformity of practice is impossible without first achieving uniformity of legislative enactment and judicial pronouncement.

Demonstrate Powder Extinguisher

Striking demonstration of the efficiency of the "lightning" dry powder type of fire extinguisher in subduing oil and gasoline fires was witnessed Tuesday by 20 Chicago insurance men. The exhibition was staged by the Cord Tire Co., 2544 South Michigan avenue. Gasoline and oil in an open barrel were ignited and the flames extinguished, then similarly with a car whose motor was set afire. The powder used is a combination of chemicals which when thrown by hand, on contact with fire releases carbon dioxide, a gas six times heavier than air and inert. Fire is quickly smothered. C. E. Cheevers, manager insurance department Cord Tire Co., was in charge.

THE WEEK IN INSURANCE

Companies and local agents endeavor to get together through an organization to harmonize some of the fundamental differences between the two classes. **Page 1**

Pacific Board to have special farm department. **Page 1**

National Board to consider modification of 60-day loss payment deferment rule at December meeting. Members asked to express opinion. **Page 3**

Clyde B. Smith urges driving out chiselers and cheaters at Grand Rapids meeting. **Page 2**

California Association of Insurance Agents holds annual meeting at Pasadena. C. T. Buckman elected president. **Page 3**

Important case involving mortgage clause in standard fire policy is taken to Wisconsin supreme court on appeal from judgment. **Page 2**

Much benefit is expected to accrue from the conference of the National Association of Insurance Agents councillors in middle west territory and the conference committee of the Western Underwriters Association. **Page 3**

Managers of foreign insurance companies are watching carefully the monetary situation in this country. **Page 1**

Interest is taken in the test being made of a farm insurance schedule in Wisconsin. **Page 1**

C. G. Robertson, assistant agency superintendent in the western department of the London & Lancashire, is made agency superintendent. **Page 10**

Automatic rate advance of approximately 5 percent on risks affected is seen in withdrawal of schedule rating on workmen's compensation. **Page 23**

C. W. French has been elected president of the Seaboard Surety of New York. **Page 23**

William Leslie has prepared some suggestions for changing the present method of rating workmen's compensation risks. **Page 23**

Alabama agents must write or countersign all highway contract bonds. Superintendent Greer rules. **Page 25**

Improvised automobile fleets increase in number in Illinois. **Page 24**

Buckman Elected by Californians

Agents Hold Annual Convention at Pasadena—Object to Delinquent List

OPPOSE 60-DAY CLAUSE

President Menn Reviews Developments and Code Action—Battles Condemns Activities of "Chiselers"

NEW OFFICERS ELECTED

President—C. T. Buckman, Visalia.
Vice-presidents—E. R. Pickett, Sacramento, and W. P. Welsh, Pasadena.
Regional vice presidents—W. W. Robinson, San Bernardino; W. A. Reynolds, Auburn, and Earl Cady, Bakersfield.
National Councillor—H. J. Thielen, Sacramento.

The California Association of Insurance Agents, at its annual meeting in Pasadena, elected C. T. Buckman, Visalia, president, and opposed the 60-day loss clause and the reporting of delinquent agency balances to the state insurance department.

President W. H. Menn reviewed changes in conditions during the past year in government and in business and their bearing upon insurance problems which, he stated, has demonstrated the wisdom of reforms which the association has advocated. Mr. Menn recommended that the incoming administration continue study of state rate supervision, following its survey of such laws in other states and formulate measures for the next California legislature.

Regional Meetings Successful

The regional meeting system proved of great benefit and Mr. Menn suggested that it be continued at all costs, together with development of an enlarged program of activities for regional chairmen.

Membership of the association on Aug. 31, 1933 was 986 members, an increase of 35 percent. This record won the president's cup at the national convention.

In discussing the desirability of a state code dealing with fair competition, Mr. Menn explained that such a code is now contemplated. Hearings have been held in Los Angeles and San Francisco. Consideration of codes by both state and National associations will continue until adoption. President Menn urged active support of the National Automobile Club.

Eugene Battles, representing the National Association of Insurance Agents, discussed its efforts to solve the problem of unfair practices. "It has been said that the 'chiseler' was one of the prime factors in bringing on the depression. Many of our failures can be traced directly to a disregard of the ethical business principles so plainly written by those who have gone before. The question of paramount importance at this moment is the manner in which these unfair competitive practices may best be dealt with.

Criticizes Companies' Attitude

"Through the years of its existence, the National association has sought by devious means to cope with them, looking always for help from the companies but often in vain. Conference having failed so far to produce any tangible results effecting the major problems, what was more natural than for the membership to take up enthusiastically the National Recovery Act as offering

(CONTINUED ON PAGE 21)

Some Points Brought Out in a Western Conference

Publicity is now given to the agenda and comment submitted to the conference between a committee of the Western Underwriters Association and the National Association of Insurance Agents councillors in mid-west territory. Various points were taken up in the agenda as follows:

1. **Public Relations and Publicity Work:** Agents reendorsed the recommendations of the National association that such work be rehabilitated, citing the apparent ignorance of the public as to the position of stock company insurance in the country, and adding that such meager information as the public possessed was gained only through sales contacts with agents.

2. **Vacancy Charge:** Agents declared that they sought to assume none of the rate-making prerogatives, but requested that the rule be changed to call for 20 percent penalty in the dwelling rate, short rate of this charge for any period less than the policy term, subject to a minimum premium of \$1. Some change, also, they held, should be made with reference to both mercantile and manufacturing properties.

3. **Underwriting and Rate-Making Methods Followed by the Interstate Underwriters Board:** The agents' committee, while recognizing the soundness of the underwriting principles employed by the I. U. B. in providing a form of coverage to meet the necessities of the legitimate floater business, denounced the rate-making procedure, holding that the breadth of the contract appeals to the public, rather than the artificial rate reductions now in use. It was recommended that rates be predicated on the values exposed at each location, using the 90 per cent coinsurance rate, reporting form of contract (which calls for full insurance to value), premium adjustment on the average values per annum. It was pointed out that the outside market is making an artificial cut of the I. U. B. rate of 20 per cent.

4. **Smudge Damage Coverage:** The agents' committee recommended that the smudge coverage endorsement be revised to cover all smudge losses arising from any heating device, and that agents be permitted to attach such a clause to every dwelling and household policy they write without soliciting the assured and making inquiry as to the type of heating device. It was suggested that a rate of 2c per annum or 5c for three years per \$100 insurance be charged.

5. **Use and Occupancy:** In the belief that this class of business has fallen off rapidly owing to unsettled business conditions, the agents' committee suggested that, whereas the companies today are writing rents and taxes coverage under a 1/9 and 1/12 form and paying losses, whether such rents or taxes would have been earned or not, the same principles should be employed in the underwriting of fixed charges use and occupancy insurance for risks of sound financial standing. It was further recommended that there be devised a reporting form of policy to apply more specifically to the profits use and occupancy coverage.

6. **Sixty-Day Loss Payments:** Holding that the emergency which prompted the invoking of this rule has passed, the agents' committee strongly urged that its operation be suspended to preserve the position of the stock companies.

7. **Inspection and Rating Bureaus Contacting Direct with the Policyholders:** An immediate investigation was

urged on the ground that such a service is the prerogative of the producer exclusively, or one to be rendered only under his supervision.

8. **Personal Property Floater:** The company representatives having advised that a comprehensive household furniture policy had been outlawed, discussion on this subject was short.

9. **Refinement of Policy Coverage Instead of Rate Reduction:** The agents' committee recommended that the companies give serious consideration to the advisability of extending the coverage of a given class of insurance, rather than entertain blanket rate reductions.

10. **Representation of Non-Organization Companies:** The agents were given to understand that the companies intend to insist upon closer cooperation from the agents with the organized companies. It was the opinion of the agents' committee that, while sympathetic with such a course, it was felt that the companies' obligation required action from the top in handling the well known non-conformists before exacting full cooperation from the field.

11. **Reduced Rate Credits:** The agents' committee expressed itself as being agreeable to the recently promulgated rule prohibiting a reduction in rate unless such a change carries a symbol "R," with the understanding that the rules of procedure will operate in a fair and equitable manner.

12. **Administrative Office of Charles F. Thomas, Secretary of the Western Underwriters Association:** It was respectfully requested that Mr. Thomas be given more power in the handling of practical problems of underwriting, that a more direct contact in connection with the mechanics of the business might be established between him and the agents.

13. **National Automobile Club:** The agents' committee recommended that the companies make a careful investigation of the services of the club to determine the advisability of extending the facilities of that organization to states where stock company service of the character rendered is not now available. It was the thought of the committee that no action should be taken in cities where the automobile clubs are cooperating with the companies in their service to motorists by keeping out of the insurance business in competition with the companies.

14. **National Councillors of the Western Underwriters Association Territory:** It was suggested that companies in the territory get in touch with the national councillor in any state in the territory whenever in need of assistance of cooperation from the agents to meet an unusual condition affecting the general good of the business.

Iowa Court Bars Council's Proposed Ouster of Clark

DES MOINES, Nov. 15.—The state executive council was acting without statutory authority when it attempted to investigate the actions of Commissioner E. W. Clark, with a view to ousting him, the district court here holds.

Commissioner Clark asked for a writ of certiorari to review the record of the council in citing him to appear before it and "explain" his actions in connection with a merger of the Modern Brother-

National Board to Review Loss Rule

Companies Asked to Submit Opinions—Executive Committee Meets Dec. 7

EXCEPTIONS SUGGESTED

Opinions on Extending Limit to \$1,000 Asked—Many Companies Said to Favor Liberalization

NEW YORK, Nov. 15.—Modification of the 60-day loss payment deferment rule is to be considered by the National Board at its executive committee meeting Dec. 7. Members of the board are asked to express their opinion on whether they prefer continuance of the \$500 limit, extending it to \$1,000 or a further modification. Companies are also asked whether they favor the National Board acting as a medium for considering other claims which might be paid promptly with the consent of all interested companies, the following exceptions being suggested:

- Where hardship and privation actually will result from deferring payment.
- Where satisfactory evidence is produced that repairs to a building insured have been completed prior to the expiration of the contractual or statutory period.
- Where property of the same insured, whether involved in the claim or not, is insured in whole or in part with companies or associations not members of the National Board or those not supporting the National Board's recommendations as to time of loss payments.
- Losses on public, municipal, religious and charitable institutions, including hospitals.
- Losses occasioned by exposure.
- Use and occupancy claims.
- Where very unusual conditions exist which would seem to justify consideration as, for instance, a question involving a disagreement amongst companies as to apportionment which in no wise reflects on the integrity of the claimant, but which delays the execution of a proof of loss.

The original rule, which was passed last March when financial and general business conditions were uncertain, deferred the payment of all losses in excess of \$100 each for 60 days after final claim adjustment. Subsequently the rule was modified, increasing the amount to \$500.

In recent months a strong protest against the regulations has been made by the agents and it is reported that many of the larger companies favor a liberalization of the deferment rule, some even inclining to a complete abrogation. Other companies are holding steadfastly for its retention, attributing the gratifying reduction in the loss record in the past seven months in a large part to the deferment rule enforcement.

hood of America, Mason City, Iowa, with the Independent Order of Foresters of Toronto. He obtained a stay order barring the council from proceeding with its investigation.

The court held that the Iowa statutes do not confer power on the executive council to investigate a state officer and that Mr. Clark was within his rights when he invoked the aid of the courts for protection against an infringement of his legal rights.

Last month another division of the district court issued a mandamus to compel payment of salary to Mr. Clark, which had been withheld by the state comptroller.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

NEW YORK EXCHANGE U. & O. RULES

The New York Fire Insurance Exchange has made some changes in its U. & O. rules. The five-day week is recognized by changing the per diem form to permit the use of the fraction 1-250 or 1-260 instead of 1-300, provided there be put into the form an affirmative statement that no indemnity will be payable for interruption of business

on more than five days in any one week. The rules also permit the use of the 80 percent instead of the 100 percent co-insurance in the U. & O. form at rates previously used for the 100 percent form. Changes were ratified reducing the rates for weekly forms and for co-insurance forms with the 100 percent clause approximately 10 percent, such to apply only to policies taking effect on

and after Sept. 1, 1933. The arbitration committee's imposition of a fine on an agent member for paying excess commissions was approved.

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GLOBE UNDERWRITERS' ACTION

The Globe Underwriters Exchange of New York City, a holding company, has offered its stockholders the right to tender their stock up to 15 percent of their holdings on or before Dec. 6, at \$7.50 a share. In March the stockholders were offered \$5.50 per share for 25 percent of their holdings. The exchange sold its interests in the Southern Home in April, carried in its statement as of

Dec. 31 at \$983,400 for about \$400,000. This left the Globe Underwriters with controlling interest in only one company, the Republic of Texas.

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BOSS RETURNS HOME

T. B. Boss of New York City, president of the American Reserve, who has been in Europe several weeks, returned to New York Tuesday.

* * *

CONICK GIVES LECTURE

H. C. Conick, superintendent of the general cover department of the Royal-L. & L. & G. fleet, gave a lecture last week in the course sponsored by the Eagle Indemnity and Royal Indemnity in New York City on "Multiple Location Risk Coverages and Reporting Covers in General."

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D. W. MCGINNIS PROMOTED

D. W. McGinnis has been made manager of the loss and business relations department of the General Exchange. He was formerly connected with the company at Kansas City in 1921. At one time he was with the Northwestern Mutual Life in that city. In 1930 he became assistant manager of the underwriting department of the General Exchange at its head office in New York. He is a graduate of the University of Wisconsin.

* * *

LOSS SERVICE CHARGES

The new method of service charging determined upon by the Fire Companies Adjustment Bureau will be put into operation Jan. 1 in the eastern and the southern territories, and perhaps in the southwest as well, though the analysis now being conducted in the last mentioned field will not likely be completed for a time, and hence may compel a slight delay for its application there. Eventually the method will be used the country over.

As explained by G. W. Lilly, general manager, to a gathering of company managers and adjusters at Chicago recently, the new plan is based on the unit cost method. Claims are arranged in groups, ranging from \$100 upward, and a service charge imposed. The record will be compiled each month and the average cost for the preceding 12 months ascertained, thereby determining the service charge. A slight additional charge will be made for out-of-town claims, while a flat figure will be imposed for handling claims of \$100 or under each.

* * *

AGENTS' COMMITTEE TO MEET

It is likely that the executive committee of the National Association of Insurance Agents will meet the week of Dec. 4 in New York City, inasmuch as it is expected by that time that the sub-committee of the fire, casualty and marine companies will have their plans worked out to submit to the joint agency and company committee on new machinery to set up to harmonize differences in the business.

* * *

CURRAY IN NEW YORK

Roy E. Curray, president of the Inter-Ocean Reinsurance of Cedar Rapids, Ia., is in New York for a few days, consulting with Alonzo Church, who was recently installed as New York manager for that company, specializing in facultative reinsurance.

Returns to Sweden

Theodore Wijkander, president of the Svea, has sailed for Sweden after spending two weeks in New York consulting the windup of affairs of his company in the United States.

The Eastern Underwriters Association will hold its annual meeting Nov. 18. The executive committee will meet prior to the general meeting.

A Policy
of Sound Underwriting and
High-Grade Management
ensures the highest type of
protection to Agent and
Policyholder.

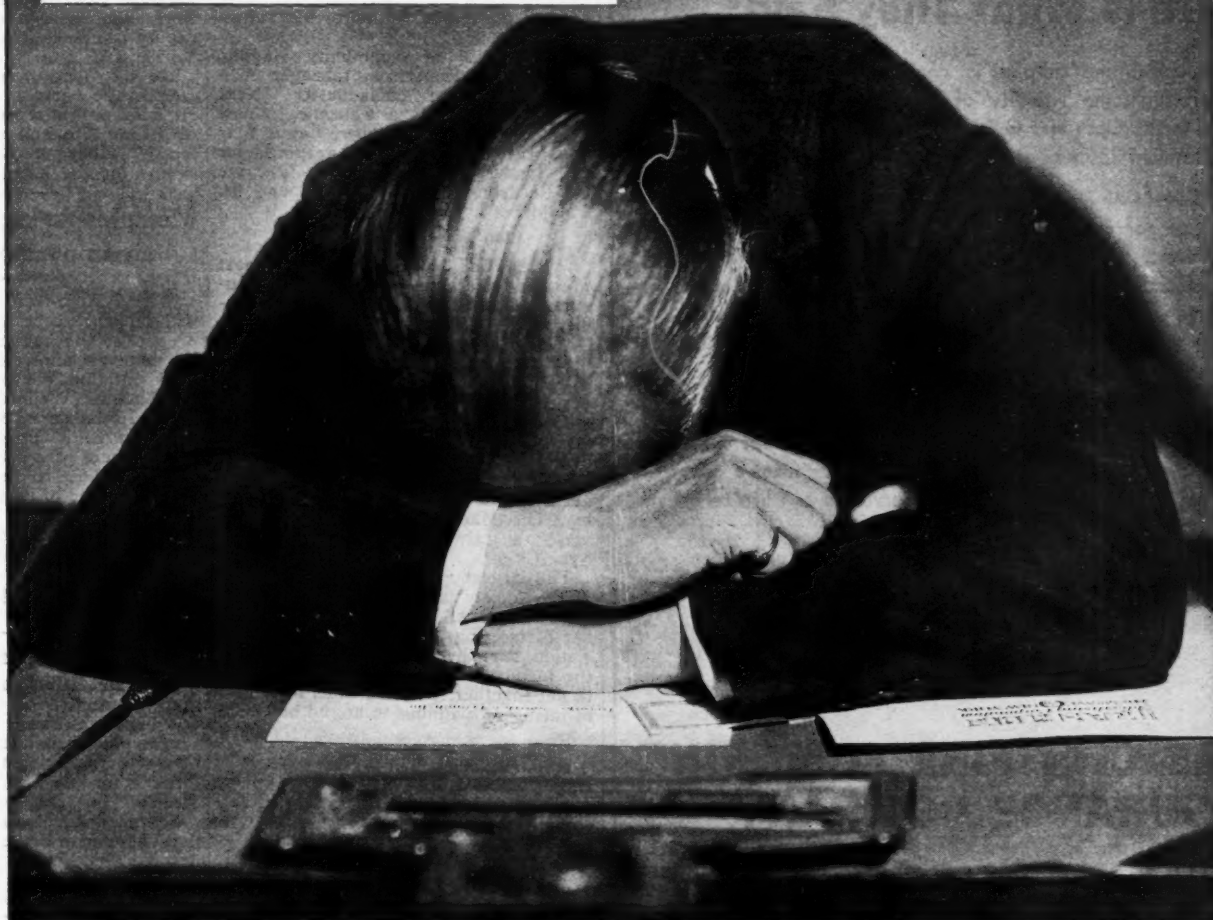
Year after year the North British & Mercantile Insurance Company, Ltd., and its Associated Companies are credited by "Best's Insurance Reports" with Sound Underwriting and in "Best's Insurance Guide" are classified A+ (highest rating) for Good Management.

North British & Mercantile Ins. Co., Ltd.
The Commonwealth Ins. Co. of New York
The Homeland Insurance Co. of America
The Mercantile Insurance Co. of America
The Pennsylvania Fire Insurance Company

. . . Writing Fire and All Kindred Lines . . .

RUINED!

because his insurance advisor failed to point out a hazard not covered under his present insurance set-up.



THE agent who uses the ÆTNA PLAN survey method can never be accused of mis-handling a client's insurance affairs.

THE ÆTNA PLAN

gives the client an insurance program which provides a maximum of protection at a minimum of cost.

"It pays to be an Ætna-izer"

THE ÆTNA CASUALTY & SURETY COMPANY

affiliated with

THE ÆTNA LIFE INSURANCE COMPANY — THE STANDARD FIRE INSURANCE COMPANY
THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CONNECTICUT

We Asked 3 Agents Why They Chose Our Company

Here is What They Said:

(1) "Your Capital and Surplus in comparison with Unearned Premiums are high; the 'liquidity' of your company is excellently represented in the Cash and Government Bonds in excess of the Unearned Premium Reserve."

(2) "I like to deal with a middle-western company. Your company is near enough for me to drop into your office frequently and talk things over. This enables me to gain greater cooperation from your officials and staff. I think every middle-western agent feels the same way as I do. Your interests are in the mid-western field; so are mine. Why deal with a company a thousand miles away, when you are so near?"

(3) "Your entire force seems to have a better understanding of my problems. Your men are all agency-trained—perhaps that's the reason. And to know my requirements, it really takes a company that has had agency experience to serve me as I like to be served. Your service pleases me."

• We submit these three statements as the clearest evidence we have on hand of what you may expect to find in the service of our company.

KANSAS CITY FIRE & MARINE INSURANCE COMPANY

Home Office:
Federal Reserve Bank Bldg.
Kansas City, Mo.

Branch Office:
Insurance Exchange
Chicago, Illinois

PROVIDENT FIRE INS. CO.
Fire and Automobile Lines

ROYAL EXCHANGE
ASSURANCE

CAR and GENERAL
INSURANCE CORPORATION, LTD.

Automobile, Liability and Plate Glass

95 Maiden Lane NEW YORK

Audits Investigations
**FERGUSON, SERLING,
DANIELS & PORTER**
ACCOUNTANTS AND ACTUARIES
102 Maiden Lane, New York, N. Y.
Organization Management

Send 9 cents in stamps for sample copy
of
The Accident & Health Review
The only exclusive accident and health
paper published.
Address your inquiry to A-1946
Insurance Exchange, Chicago

Society of Life Members Meets in Chicago Dec. 8

The annual meeting of the Society of Life Members of the Fire Underwriters Association of the Northwest will be held Dec. 8 at 6:30 p. m. in the Inter-Fraternity club in the Hotel LaSalle, Chicago, the executive committee has decided.

President A. F. Powrie, manager Fire Association, Chicago, will give his annual address and Secretary-Treasurer Holger de Roode, Chicago, his annual report.

There will be community singing, with W. P. Robertson, manager Alliance, Chicago, as "choir-master." Next on the program is a welcome to new members by H. G. Casper, Eagle, Star & British Dominions, and response for the "kindergarten class" by D. O. Stine of Reedsburg, Wis., state agent St. Paul Fire & Marine.

Plan Interesting Program

W. B. Calhoun of Milwaukee, past president National Association of Insurance Agents, will speak on "The Society and Good Fellowship." W. R. Townley will follow with an address on "The Journey's End."

There finally will be a free-for-all period entitled "Three Minute Limit," when other members may reminisce or give vent to any forensics they please, bearing in mind the time limit. The election will close the annual get-together, this function to be discharged by "The Machine." The meeting will close, as always with "Auld Lang Syne."

The largest attendance in the history of the society is anticipated at the Chicago meeting, inasmuch as a number of meetings of the Northwest association have been passed and many of the members have not had opportunity to get together for some time. Response of members planning to attend has been good.

Aetna Fire Secretaries Are Chosen Vice-Presidents

Secretary J. Ross Stewart and J. M. Waller of the Aetna Fire were elected vice-presidents of that company and its affiliates this week. Mr. Stewart has been connected with the Aetna since 1912, becoming special agent in charge of Canadian territory. He started his career with the Canadian Underwriters Association and became vice-president. He went to Hartford in 1923 as assistant secretary in charge of Canadian underwriting. He was elected secretary in 1927. He is a former most loyal grand gander of the Blue Goose.

Mr. Waller is a native of Virginia and for 17 years was state agent for the Fireman's Fund in Virginia and the Carolinas. He joined the Aetna in 1922 and in 1924 was called to the home office as general agent. He was elected assistant secretary soon after.

Iowa Mutual Convention Has Some Notable Speakers

DES MOINES, Nov. 15.—Nearly 500 attended the convention of the Iowa Association of Mutual Insurance Associations.

H. P. Cooper, Indianapolis, secretary of the National Association of Mutual Insurance Associations, and A. V. Gruhn, general manager, the American Mutual Alliance, Chicago, addressed the meeting.

J. E. Kennedy, chief assistant fire marshal of Wisconsin, spoke on "Conquering the Farm Fire." Other speakers included R. D. Austin, Mason City, secretary of the Iowa Hardware Mutual Insurance Association; State Representative Earl M. Dean, Mason City; Wesley

Johnson, secretary Allied Mutual Automobile Insurance Association, Des Moines; W. A. Rutledge, secretary, Farmers Mutual Hail Insurance Association; L. T. Jones, assistant secretary, Town Mutual Dwelling Insurance Co.

Hoey Revenue Collector for Southern New York

President Roosevelt has appointed James J. Hoey of the New York insurance firm of Hoey & Ellison, collector of internal revenue for the southern district of New York. Prior to engaging in the agency line in 1921, Mr. Hoey was vice-president of the America Fore companies, and before that was deputy insurance superintendent of New York.

He has long been a power in the Democratic party in the Empire State. In addition to representing a number of strong fire and casualty companies locally, Hoey & Ellison are general agents for the Equitable Life of Iowa.

Memphis Agency Celebrates an Important Anniversary

MEMPHIS, Nov. 15.—Next Monday will be an exceptional day in the life of one of the agencies here as it will be the 60th anniversary of continuous representation of the Great American by Thomas Welford & Sons of this city. In honor of the event Western Manager C. R. Street of Chicago will journey here with some of his associates to act as host to the Welford agency and a number of its friends. Mr. Welford is president of the Memphis Fire Insurance Patrol and has been a guiding spirit in the Memphis Insurance Exchange for many years. The Great American has a high regard for this agency.

Valuations Committee to Meet

NEW YORK, Nov. 15.—The valuations committee of the National Convention of Insurance Commissioners has set the date of its meeting in New York City, Nov. 22, when the work on the formula for the Dec. 31 financial statement will be discussed.

Sentiment among a good many executives here favors use of amortized values for bonds and market values for stocks in the annual statements. Others favor amortization of bond values and setting up of a reserve equivalent to a certain percentage of the difference between convention and Dec. 31, 1933, values of stocks.

Penn Blue Goose Elects

Victor Kurbyweit, local manager of the America Fore in Philadelphia, has been elected most loyal gander of the Penn pond. H. B. Nelson, adjuster, was chosen supervisor; T. M. Fell, assistant manager Philadelphia division, Underwriters Association of the Middle Department, custodian; G. T. Monroe, Hartford Fire, guardian; R. R. Dearden, "U. S. Review," keeper, and J. R. Knowlan of Schmidt Surveys, welder. The pond held its anniversary banquet Monday night with W. A. Munns, Sussex Fire, retiring most loyal gander, presiding.

Would Eliminate Agent-Brokers

NEW YORK, Nov. 15.—Widespread company cooperation in backing the Inland Marine Underwriters Association's efforts to have New York City offices classified as either agents or brokers, but not both, is indicated by reactions to a recent questionnaire sent out by the I. M. U. A. requesting data on New York City operations. The elimination of the dual agent-broker status, which has had the cordial support of the agents, would stop any office doing direct marine business from receiving the 10 per cent differential that goes to agents writing no direct business.

AS SEEN FROM CHICAGO

SECURE TOWING REDUCTION

The committee on automobile loss adjustments of the Western Loss Association has succeeded in securing a reduction in towing charge to \$4 per car and storage charge to 50 cents a day on all cars picked up by police and placed in accredited garages, Chairman J. A. McClelland, chief adjuster Great American, reported. Previously, after conference with the Chicago mayor and city officials, the committee secured reduction in towing charge from \$7.50 to \$5 per car, storage charge, however, remaining at \$1 a day. The matter was taken up with Mayor Kelly without much result until numerous other influences, political and otherwise, were brought to bear.

Mr. McClelland stated this was the first time insurance companies had given any consideration to city officials in the way of reduction of the charges. The difficulties encountered and active opposition were considerable. Chairman McClelland reported that the Central Salvage Bureau, whose title now is Central Automobile Service Bureau, is in full operation and prepared to take care of all salvaged automobiles and give basic estimates of damages on all stripped, wrecked and stolen cars. Preferably cars requiring estimates should be towed to the bureau's plant at 236 East 24th street, but there are facilities for making estimates at any garage in the Chicago area.

The committee, whose other members are H. M. Ferrers, E. R. Wilson, T. E. Heald and W. H. Eastman, considers the bureau, if properly supported, one of the major factors in reducing auto thefts in Chicago territory by eliminating the market for stripped parts. The bureau is not now getting the support it merits and the committee urges that company members instruct their adjusters to make use of its facilities, as this is the only way it can continue to operate on a self-sustaining basis.

* * *

FRED S. JAMES & CO. CELEBRATION

The long representation of the Connecticut Fire by Fred S. James & Co. of Chicago, running over 50 years, was celebrated last week at a dinner at the Chicago Club, at which were present President Edward Milligan and Vice-President George C. Long, Jr., from the head office. It was largely an occasion of reminiscences and brought back many of the events of the half century in the history of the Connecticut in Chicago and the west. G. W. Blossom, Sr., who presided, and is now head of the firm, is a native of Dubuque, Ia., and went to Chicago to connect with the western department of the German-American, serving latterly as chief examiner. In this connection he became acquainted with the son of Abram Williams, who was farm manager of the Continental. Mr. Williams was called upon to establish the western department of the Connecticut and he invited Mr. Blossom to join him. Judge Eugene Cary was manager of the German-American, now the Great American. Mr. Blossom took up the subject with Judge Cary and the latter gave his consent for him to negotiate with Mr. Williams. This led to Mr. Blossom becoming chief clerk in the western department of the Connecticut.

Fred S. James had established the agency of Fred S. James & Co., and W. D. Marsh was his partner. The firm connected with the Connecticut in 1881 or 1882. Mr. James was wont to go to the western department office of the Connecticut and in passing in and out would have a few words with Mr. Blossom. In 1888 he invited Mr. Blossom into his firm to take a one-third interest. Mr. Blossom was nonplussed at the offer and said at the dinner that if Mr.

any success he may have achieved was due largely to the support, inspiration, encouragement and training he received from Mr. James.

President Milligan in his talk called attention to the long relationship that had been most harmonious. He presented Mr. Blossom with an engrossed resolution that was adopted by the board of directors last week, recognizing the successful representation of the company and the very friendly relations. Vice-President Long took occasion to say that the dinner was an exemplification of the relationship between a good company and a good agency.

Mr. Blossom in presenting some fig-

ures stated that from the beginning until Dec. 31 last, Fred S. James & Co. had given the Connecticut upwards of \$4,000,000 in premiums. There were losses of \$1,800,000 or a ratio of about 46 percent. During all this time there had only been three years when the agency did not make a profit for the Connecticut.

* * *

WORK ON FAIR INSURANCE

Negotiations for the new insurance coverage for the Century of Progress exposition in Chicago, which is to be continued for another year, are now under way. The main problem is to agree on an equitable valuation of the



WHEN DISASTER overtakes you

whether it be the result of fire, wind-storm, or explosion, one need face the loss of one's property with but a single anxiety—"How soon can I rebuild?" Our agents can answer you if they have written your insurance. ☺ ☺

Our agents know this company has a record for prompt payment of legitimate claims. Such a record—the result of years of honest dealing—justifies the faith placed in the company by its policyholders and its agents.

The Connecticut Fire Insurance Co.
of Hartford.

buildings. According to the original reduction plan the coverage provided by the world fair underwriting organization pool dropped from 40 percent to 20 percent on Nov. 1 and on Dec. 1 will drop to 5 percent.

The question of the increased hazard during the winter months while the buildings will remain unoccupied is also being considered. The danger to the temporary water supply installation is not as great from freezing as from corrosion.

The Illinois District Telegraph Company has extended its A. D. T. service so that the ordinary night watchman service will be in effect 24 hours a day.

The Century of Progress fire department under Chief J. C. McDonnell with two shifts of 18 men will remain intact. Some of the fire department men will be detailed to inspection work and five sirens will be placed at advantageous points by the Illinois District Telegraph Company in the agricultural group, electrical building, tower of the Hall of Science, tower of the Belgian village, and at the Travel and Transport building.

Although the fire loss at the fair so far has been negligible, the windstorm losses exceeded the premiums allocated by the companies for this coverage. The buildings are built to stand an 80 mile

per hour velocity, but due to the light weight construction the companies will probably require a special interpretation of windstorm damage so that the damage from rain, snow and exposure to the fiber board outside walls used in most of the buildings will not be confused with the damage by wind.

The remarkably low loss rate to date is mainly due to the rigid inspection service maintained by Chief McDonnell and his men, Chicago Board engineers and the A. D. T. service. Although the crowds of people at the fair might have hindered the fire department in fighting the blaze, they afforded help in detecting any outbreaks. While the exhibitors are packing up in the next ten days, the fire hazard will be increased.

Chief McDonnell reports there were 118 alarms since the fair was opened, 22 of which were false and 24 being A. D. T. calls which were answered by the city department as well as the special fair department. Four members of the fair department were detailed to inspection work and many potential hazards, such as overheated motors and short circuits, were detected.

* * *

WISHARD HEADS FIELD CLUB

A. H. Wishard, special agent America Fore fleet in Cook county, Ill., was elected president of the Cook County Field Club at the annual meeting this week, succeeding F. B. Ingledew, North British & Mercantile. Other new officers are: Vice-president, H. M. Abernathy, Glens Falls, and secretary-treasurer, E. F. Fromm, special agent Critchell, Miller, Whitney & Barbour. A. G. Sauter of Fred J. Sauter & Co., was elected director to fill out the term of L. C. Peterson. Directors elected for two years were F. A. Dapper, Sun; Past-president Ingledew, S. B. Fabans, Northern; E. W. Erickson, Aetna of Hartford, and E. W. Karnatz, Liverpool & London & Globe. This was "manager's day," many senior executives having been invited. Among those attending were F. L. Erion, independent adjuster; Alex Blumenthal, secretary Chicago Board; Chief Frank McAuliffe of the fire patrol; P. C. Lang, assistant manager Cook County Loss Adjustment Bureau; E. G. Whitaker, Chicago Board; E. J. Silhanek, agency superintendent National of Hartford; W. L. Sweazea, manager Chicago metropolitan department North British & Mercantile. Date for the Christmas party has been set for Dec. 11 at the Germania club. A memorial was read to the late John F. Nicholson of John Naghten & Co. Gen. F. S. Dickson, associate general counsel National Board in Chicago spoke on loyalty and patriotism, with particular reference to the need for preparedness and active opposition to communistic tendencies in this country.

* * *

WESTERN LOSS MEETING

The Western Loss Association will hold its annual meeting in Chicago Nov. 21, when officers will be elected and reports of the year read. John A. Shea, loss superintendent of the Aetna, is president.

* * *

JOINS CHICAGO MOTOR CLUB

Neal C. Russell, who has been an examiner in the Illinois insurance department, has joined the Interinsurance Exchange of the Chicago Motor Club.

Quarter Million Hear Talks

A total of 844 talks, to a combined audience of 274,667 persons, made during national fire prevention week by members of or under the auspices of the various state fire prevention associations. Of these talks, 570 were made before 233,115 children and 274 to 41,552 adults. Kansas led in the activity with 139 talks to 56,540 children and 42 to 14,250 adults; followed by South Dakota, with 131 talks to 22,663 children and 68 to 5,788 adults.

COMPANY NEWS

Agents Back Bankers F. & M.

Litigation Involving Birmingham Company Raises No Question in Regard to Its Solvency

BIRMINGHAM, ALA., Nov. 15.—Recent litigation against the Bankers Fire & Marine led T. Anglin White, president Birmingham Association of Insurance Agents, to direct a letter to members advising them that the company is absolutely solvent and urging their cooperation in preserving the agency force and good will of the company. "After careful investigation, I deem it advisable to say to you that this litigation will not in any way affect policies issued by the company," Mr. White said.

The company recently obtained an injunction restraining two stock solicitors from calling on stockholders with the alleged purpose of obtaining agreements that would give them control of the company. A small minority of stockholders then filed a petition asking that the injunction be dissolved and that a receiver be appointed. The company asked for an early hearing of this petition and it has been set for Dec. 12.

The minority group alleges that the company realizes it is over-capitalized and that officials are seeking to effect a reduction by causing the company out of its assets to repurchase its own shares of stock in the market at \$2 a share. Solvency of the company is not questioned.

The Bankers Fire & Marine has assets of \$445,285, mostly in state, county and city bonds, and negligible indebtedness. More business is being written this year than in 1932. It has a 100 percent reinsurance treaty with the Continental.

Remodels Home Office

The Badger Mutual Fire of Milwaukee has completely remodeled its home office quarters which it occupies in its own building at 824 South 16th street. Considerable new space has been added to the space occupied by the office staff and to the private offices of Henry Weinbrecht, secretary, and G. H. Kamper, assistant secretary. For the first nine months of this year the company has made a record of increases of over \$57,000 in assets, \$36,000 in surplus and \$5,000 in contingency reserve. Total assets are \$835,819, with total surplus over all liability, plus guarantee funds, of \$605,464.

Canadian Company Widens Field

The Home Assurance of Calgary, Alta., which was incorporated in 1918 under an Alberta charter but which has thus far confined its business to accident, sickness and automobile lines, will shortly commence fire underwriting in Alberta, Saskatchewan and British Columbia. It will write business only in protected cities and towns.

Report on Southern Fire

The Southern Fire of New York examination report has been filed by the New York department. Its assets as of April 1 are \$3,113,908, premium reserve \$766,950, capital \$1,000,000, net surplus \$954,560. From the time the company started business in July, 1929, to April 1 last, there was an underwriting loss of \$841,408 and an investment loss of \$179,031, the total being \$1,020,439.

Canfield Heads Utica Fire

R. H. Canfield, former vice-president of the Utica Fire, has been elected president succeeding W. H. Start. T. H. Ferris of Utica, a director, was chosen vice-president. He is president of the Citizens Casualty of Utica, with which the Utica Fire is affiliated.



PHOENIX ASSURANCE COMPANY, Ltd. of LONDON

150 William Street, New York

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Time-tested — Depression-proof

An Insurance Company that has endured and prospered for over 150 years is a good one to represent.

You can expect such a Company to continue in the future to uphold proper practices and co-operate with its Agents as it has in the past.

One hundred and fifty-one years means more than age—it means experience, sound and sane judgment, underwriting skill.

PHOENIX INDEMNITY COMPANY

55 Fifth Avenue, New York

Metropolitan Department, 150 William Street.

FRANK J. BUCHER, President

WM. F. KRAMER, Secretary

Organized 1865

THE

Reliable Fire Insurance Co. DAYTON, OHIO

Surplus to Policyholders \$988,081

An independent Ohio Company with a record of more than 68 years of honorable dealing with Agents and Assureds

NEWS OF FIELD MEN

New Blue Goose Appointments

L. H. Bridges, Most Loyal Grand Gander, Announces Deputies, Committees for the Year

L. H. Bridges of the Home in Chicago, most loyal grand gander of the Blue Goose, after consultation with Grand Wielder Helliwell, has made his appointments for the current year. The deputy most loyal grand ganders-at-large are divided sectionally, the appointments being: W. E. Mallalieu, National Board, New York; W. E. Alair, Seattle; L. T. Hargreaves, Toronto; W. F. C. Fellers, Jacksonville, Fla.; R. E. Vernor, Chicago.

Deputy most loyal grand ganders are: Oregon and western Washington, Francesco Seley, Portland; eastern Washington, Utah, Idaho and Montana, A. J. Snow, Salt Lake City; California and Arizona, G. N. Cusick, San Francisco; Colorado, New Mexico and Wyoming, Fred S. Young, Denver; Virginia, North and South Carolina, Georgia and Florida, B. S. McKell, Raleigh, N. C.; Kentucky, Tennessee and Alabama, C. P. Thurman, Louisville; Mississippi, Arkansas and Louisiana, J. K. Shepherd, Little Rock; Oklahoma and Texas, R. C. McConnell, Dallas; Minnesota, North and South Dakota, D. P. Lemen, Sioux Falls; Michigan, Ohio and Indiana, H. R. Underwood, Columbus; Iowa and eastern Missouri, R. P. Osier, Des Moines; western Pennsylvania and West Virginia, F. J. Breen, Pittsburgh; Kansas, Nebraska and western Missouri, N. K. Nelson, Topeka; New England and New York (except New York City), H. V. Thayer, Boston; New York City, New Jersey, Maryland and eastern Pennsylvania, J. R. Knowlan, Philadelphia.

The deputy most loyal grand ganders for Canada, also on sectional lines, are: Central district, J. M. Smith, Winnipeg; eastern, Leonard Gittleston, Montreal; British Columbia, Reginald Long, Vancouver; Alberta, T. A. Hornibrook, Calgary.

Committee chairmen are: Jurisprudence, W. E. Mallalieu; life insurance, W. T. Benallack, Detroit; constitution and by-laws, Henri Polak, Atlanta; ritual, Francesco Seley, Portland; memorial, F. C. Newcomer, Oklahoma City; emblem, W. T. Benallack; regalia, J. H. Hayden, Oklahoma City; educational, D. H. Painter, St. Louis; employment, C. M. Cartwright, Chicago; bulletin, J. H. Schively, San Francisco; historian, George G. Wright, Milwaukee.

Vincennes, Ind., Inspection Is Especially Successful

About 50 field men participated in the inspection of Vincennes, Ind., under the auspices of the Indiana Fire Prevention Association, which was one of the most successful in the history of the association. R. E. Vernor, Western Actuarial Bureau, addressed 5,287 school children and 405 adults. Field men inspected 375 risks and 830 recommendations were made. Among those from the outside who assisted were Chief B. A. Lynch, fire prevention department Indianapolis fire department; E. T. Cox, educational chief state fire marshal's office; William Curran, superintendent Indianapolis Salvage Corps, and C. S. Steup, fire department instructor Indiana Inspection Bureau. The luncheon was well attended by citizens and insurance men. Most of the details were handled by E. R. Hubbell, secretary of the association. This is the first town inspection that has been held in Indiana for several years. The as-

sociation plans to put on several more before next summer.

Blieffert in New Post

C. C. Blieffert, for about ten years Indiana state agent of the Commonwealth and Mercantile and more recently identified in the local field in Indianapolis, has become district manager for the Insurance Audit & Inspec-

tion Company of that city. Before going to Indiana Mr. Blieffert was with the home offices of his companies in New York City.

Back Arson Squad

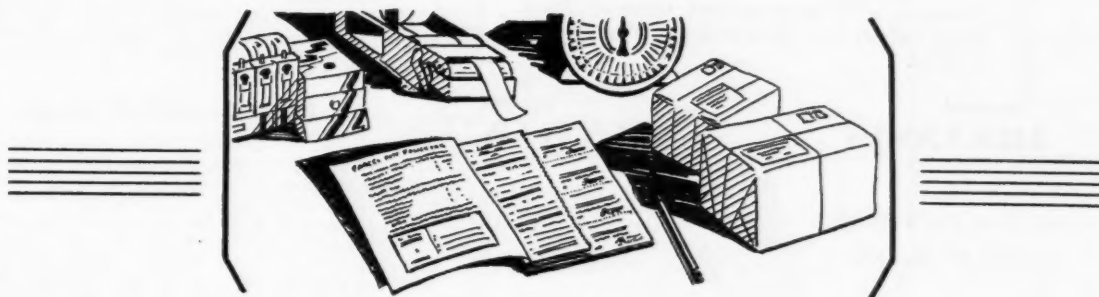
KANSAS CITY, MO., Nov. 15.—W. G. Chestnut, manager Western Adjustment, called attention at the Blue Goose meeting here to the fine work of the arson squad of the Kansas City police department, which just now is under heavy fire of criticism from all quarters. Mr. Chestnut pointed out that in spite of the thoroughness of the investigations by the squad and the excellent

fashion in which cases are prepared and presented, out of 43 cases the prosecutor has secured but one conviction. Most were dismissed for "lack of evidence"; many of them were not even reviewed. In the discussion that followed it was suggested that insurance men should, if possible, do something to remedy such a situation. The present methods of killing such cases invites more arson.

Discuss Kansas Legislation

Holmes Meade, Topeka, chairman of the legislative committee of the Kansas Association of Insurance Agents, spoke at the Blue Goose luncheon in

THIS IS OPEN SEASON FOR PARCEL POST INSURANCE



YOUR CITY DIRECTORY WILL GIVE YOU A PREFERRED PROSPECT LIST

Are you missing profits on this important policy? Some agents are—because they look at it as "small business." Please do not consider it so.

Parcel Post can be highly profitable, in more ways than one. Therefore, if you are not now pushing this policy, get the complete facts. Then begin—right now—to get your share of the worth-while volume it offers.

New literature has just been prepared for Agricultural and Empire State agents. This points out how our Parcel Post policy *saves time, trouble and money*. We have also developed a special local campaign on this subject for agents' use.

Are you interested?

Write us at once and our nearest representative will see you promptly . . . to give you full information on our two forms . . . and on this personalized campaign.

Agricultural
Insurance Company
of Watertown, N.Y.

Empire State
Insurance Company
of Watertown, N.Y.

GENERAL AGENTS

This cooperative goodwill campaign which explains the advantages of the General Agency plan is fostered by the General Agents whose names are listed. Each of these is a member of the American Association of Insurance General Agents. Their duties are purely supervisory.

The value to agents of placing business through General Agencies was never more apparent than today. . . . General Agents are always willing and ready to help Local Agents with any insurance problems. . . . General Agents know their territory by being right on the ground and their knowledge saves Local Agents and their assureds dollars as well as valuable time. . . . Get acquainted with your nearest General Agent listed below. . . . You will find that contact helpful.

ARKANSAS

COATES & RAINES, INC.
LITTLE ROCK, ARK.

KENTUCKY

BRADSHAW & WEIL,
GEN. AGCY., INC.
LOUISVILLE, KY.

CALIFORNIA

EDWARD BROWN & SONS
SAN FRANCISCO, CALIFORNIA

MICHIGAN

A. J. HOLSTEIN GEN. AGCY.
DETROIT, MICH.

GEORGIA

HURT & QUIN, INC.
ATLANTA, GA.
Territory:
Georgia, Alabama, Florida, So. Carolina

MISSOURI

J. H. GOOD
DWIGHT BUILDING
KANSAS CITY, MISSOURI
Territory:
Missouri and Kansas

M. L. LINTON & COMPANY
COTTON BELT BLDG.
ST. LOUIS, MO.

Territory: Illinois and Missouri

NEBRASKA

THE HARRY A. KOCH CO., Inc.
INSURANCE
OMAHA

KANSAS

KANSAS UNDERWRITERS
WICHITA, KANS.
Territory:
Kansas, Missouri, Oklahoma

TEXAS

CRAVENS, DARGAN & CO.
HOUSTON, TEX.
Territory:
Texas and New Mexico

These General Agents Do not Compete with Local Agents—They Are in Effect Home Offices in Their Territory

Topeka Monday regarding insurance legislation in the special session of the Kansas legislature. There was considerable discussion relative to the proposed resident agent act.

A. W. Bremyer, local agent, McPherson, Kan., was a guest. W. E. Ellis, Glens Falls, was chairman. J. F. Springer, Western Adjustment, will preside next week.

East Liverpool Inspected

East Liverpool, O., was inspected Wednesday by the Ohio Fire Prevention Association, cooperating with local organizations. H. K. Rogers, the "fire clown," took part. Dayton will be inspected early in May, at the conclusion of a clean-up week to be put on by local authorities. Fred C. Wolf, New York Underwriters, and F. J. Weber, Concordia, both of Cleveland, had charge of the East Liverpool inspection.

Mountain Field Club to Elect

DENVER, Nov. 15.—The Mountain Field Club will elect officers at the January meeting. It was decided at the November meeting that the club should have a permanent committee on fire prevention, but President L. A. Beck announces that inasmuch as its work will fall in the next administration he will pass the appointment of the committee to his successor.

Pacific Coast Field Changes

E. P. Eldred, special agent for the Royal, covering the San Joaquin valley territory in California for many years, has relinquished all traveling duties because of poor health and will hereafter confine his activities to the city of Fresno. T. A. Ruppel, for several years with the company in San Francisco, has been transferred to the San Joaquin valley field.

L. N. Trimble of San Francisco, special agent for the National Union Fire, has resigned effective Nov. 30. George P. Williams, senior special agent, will take over Mr. Trimble's territory in addition to his present southern California field.

Will Have Semi-Annual Meeting

The Illinois Fire Underwriters Association will hold its semi-annual meeting in January at Peoria. At this time a puddle of the Illinois Blue Goose will be organized there, as a committee has been appointed to start the ball rolling.

G. W. Turner with Pearl

G. W. Turner has been appointed special agent of the Pearl in New Jersey. He has been in the territory for the Potomac and previous to that traveled for the Importers & Exporters.

Kentucky-Tennessee Field Divided

W. E. Kingsley, assistant manager of the Travelers Fire at Louisville, has been appointed manager of the Kentucky division, in a split of the Kentucky and Tennessee territory. A. B. Paschal, who has managed both states, is now in charge of the Tennessee office at Nashville.

Mr. Kingsley joined the Travelers Fire in 1926, having previously been a special agent for the Home of New York.

Duck Dinner in Kansas City

KANSAS CITY, MO., Nov. 15.—About 60 field men will attend a duck dinner Nov. 25, an outgrowth of the annual affair originated four years ago by Gad Smith of Crum & Forster and O. D. Cox of the American. Mr. Cox, who has cooked and served the dinners in the past, will supervise the cooking and he and Gad Smith will secure the ducks.

Elwell With Royal

Lincoln G. Elwell, head of the agency department of Field & Cowles agency

C. G. Robertson Promoted by London & Lancashire

C. G. Robertson of Chicago, assistant agency superintendent of the London & Lancashire group in the west, has been appointed agency superintendent in view of the fact that Carl Claussen, who held that position, was recently made manager. Mr. Robertson started in the business with the Minneapolis Inspection Bureau and went to the London & Lancashire as special agent in January, 1909, assisting John F. Stafford, who at that time was state agent in Minnesota, Iowa and North and South Dakota. In April, 1912, Mr. Robertson was transferred to Iowa and South Dakota as state agent with headquarters at Des Moines. Three years later he was shifted to Omaha as state agent in Iowa and Nebraska. In June, 1918, he was called to the western department as examiner and in January, 1919, was appointed assistant agency superintendent. Mr. Robertson started his insurance career in the local agency of his father, the late F. A. A. Robertson, at Winona. General Manager Charles Hendry from the head office in England visited the western department and officially approved the Robertson appointment.

in Boston, with which office he has been connected for some 19 years, has been appointed special agent of the Royal for western New England.

Hear California State Treasurer

C. G. Johnson, for many years state treasurer of California, spoke at the luncheon meeting of the San Francisco Blue Goose Nov. 13 on "California's State Finances."

Indiana Blue Goose Dinner-Dance

The Indiana Blue Goose will give a dinner-dance in Indianapolis, Nov. 20. L. H. Bridges, most loyal grand gander, plans to be present, accompanied by Mrs. Bridges. George E. Shank is chairman of the committee on arrangements.

Coffey's Field Extended

C. A. Coffey, special agent at Spokane, Wash., for the London & Lancashire, is now also in charge of the Walla Walla (Wash.) territory, which was formerly handled from Portland. The territory includes southeastern Washington.

Field News Notes

Kentucky State Fire Prevention Association will inspect Shelbyville, Dec. 1.

The Colorado Blue Goose will hold a stag party in Denver Nov. 24.

The Illinois State Fire Prevention Association will inspect Ottawa, Nov. 22. H. K. Rogers, Western Actuarial Bureau, will talk and give his clown act for the school children.

The Oklahoma Fire Prevention Association has adopted the following inspection program: January, Clinton and Cordell; February, Duncan and Marlow; March, Pauls Valley and Wynnewood; April, Muskogee; May, Pawhuska.

Aetna's Canadian Appointment

Fred A. Jennings of Montreal has been appointed chief agent for Quebec province of the Aetna, succeeding his late partner, C. R. G. Johnson, who died last August. Mr. Jennings becomes president of Johnson-Jennings, Inc., of Montreal, which has represented the Aetna in Montreal for the past 20 years.

GET new business • RENEW old business • DISARM competition
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Hope to Develop Conference Plan

(CONTINUED FROM PAGE 1)

burgh, George F. Kern of New York City and Percy H. Goodwin of San Diego, Cal. The company committees are to meet, talk over the subjects assigned to them and then go back to their organizations and get their suggestions before the agents are called in. It is felt that this work can be completed probably by the week of Dec. 4, which is the week that the Insurance Commissioners Convention is meeting in New York. The company men suggested that there be other agents added to its code committee but it was decided that the same agency committee that had been meeting should deal with the three sub-committees and attend any general conference thereafter.

Percy H. Goodwin of San Diego, Cal., who took a prominent part in the negotiations, left here Saturday and will not return for a further meeting. He represented Eugene Battles of Los Angeles, a member of the executive committee. Mr. Goodwin gave days of time to negotiations before the meeting was held.

Postpone Filing of the Code

The National Association of Insurance Agents, it is stated, has agreed to hold back the filing of its code until the company sub-committees meet and see whether they can come to some conclusion. It is ardently to be hoped that a new organization can be established that will bring together the fire, casualty and marine people on the one hand and the National Association of Insurance Agents on the other so that trade controversies can be ironed out.

It is generally agreed that these separate conferences of company sub-committees are highly important because they are to ascertain just how far the companies are willing to go in setting up this machinery. In the negotiations the outside companies have to be considered and their attitude toward this cooperative scheme. The American Association of Insurance General Agents had representation at the first meeting following the convention of the National Association of Insurance Agents but no one was present last week. The National Association of Insurance Agents took the ground that really the fire insurance general agents were company people and that the company committee was sufficient therefore to deal with all problems for the general agents.

There is much to be done and there will have to be much threshing over the issues before there can be a definite new set-up but the leaders on both sides take the ground that eventually something will come out of this movement.

The agents take the position that so far as they are concerned they have gone as far as they can until the companies analyze all the 24 proposals and ascertain what their attitude will be. The agents drafted the program and hence they see no need of meeting until the companies have threshed out these proposals to decide what they can do.

Attitude of the Brokers

The National Association of Casualty & Surety Agents, composed of general agents, has not been represented at any conference but will likely be asked to send representatives to sit in at later meetings when the chaff has been pretty well cleared away. One of the prominent brokers of New York City claimed to represent his group in his city, San Francisco and Chicago, and objected to some of the features of the agency code. He further protested against agents and brokers being put in the class of "producers" and the brokers not being given representation at the conference. There was considerable maneuvering around in New York City and finally the brokers' organizations here seemed to be willing to allow the agents to go along for the time being in their company negotiations without hindrance. Telegraphic advices

from brokers in San Francisco and Chicago indicated the same sentiment.

The time element in the proposition has become increasingly important because of a late request from the National Recovery Administration for information as to the result of the conferences.

The official organ of the National Association of Insurance Agents in its forthcoming issue will say in part:

Pressure From Agents Unabated

"Representatives of the association take the position that nothing better could be accomplished for the business of insurance than establishing a joint-company agency agreement, provided it would produce a soundly conceived, fairly constituted and effective organization with adequate assurance of fact-finding and enforcement powers. In their expressed opinion, one of the essentials would be adequate representation of producers in all matters pertaining to the production end of the business.

"They have expressed their determination to bend every effort toward cooperation with the company committees in attaining the objective sought, and again call attention to the fact that the pressure for relief from unfair com-

petitive practices from agents all over the country continues unabated.

"For the most part, the turn of events has been well received by agents and companies alike, many representatives expressing hope for the outcome, in keeping with the National association's long continued policy of conference and cooperation. Many agents have expressed the belief that, while past conferences, and particularly the breaking down of the conference agreement several years ago, have proved unavailing, present day conditions warrant a hopeful outlook. For the first time in history, there is a joint undertaking on the part of the several classes of companies, with the producers. There is joint recognition that unfair competitive conditions prevail, harmful to companies, agents and the public."

Clyde Smith Lambasts the Chiselers and the Cheaters

(CONTINUED FROM PAGE 2)

Mulder, Muskegon, was chosen chairman of the special committee to conduct the campaign.

Mr. Smith said that at the time of the Chicago convention of the National

Association of Insurance Agents it appeared inevitable that the only recourse left the agents to curb the outstanding evils was the filing of a code. Mr. Smith said that all regretted such action, but the consensus among the agents seemed to be that either those in the business must regulate it or it would be regulated for insurance by the government. Mr. Smith said that the New York conference has changed the picture and not only the organized companies but those on the outside, such as the Firemen's group, Corroon & Reynolds, Meserole group, Employers Liability and others, are interested in cooperating. He said that the big beneficiaries in the clean-up will be the insurance buyers.

Mr. Smith said that conditions in the casualty field are even worse than in the fire. Cut rates are common, he said, and action of this kind is taken at the behest of the agents. He said that an agency will often represent an organization and a non-organization casualty company. Thus two prices for the same coverage are at hand.

Commissioner Gauss commented on the state accident fund. He recently resumed supervision after it had been under the state administrative board for a number of years.



Has The Definition of a Strong Company Changed?

Safety is an old old problem. Ever since we can remember—and the Camden Fire is 92 years old—people have said, "We realize we must pay for protection. But will the money be there in case we need it?" And insurance companies have always said, "We expect to take risks and pay losses. That's our business. But can we know that the risk isn't too great for the costs we've set?"

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2. Since 1873 we've paid a profit (a dividend) every single year.

3. Today we have market values of more than twelve million dollars, and, including all legal reserves for unearned premiums, we owe a little over seven and a half million. There is nearly five million dollars left to back up the new risks you place with us.

We are entitled to part of your business. We think we are generous about accepting some of it. We have no prohibited list, although we do consider all policies that are offered to us. Why don't you see what we *will* write? Send this coupon.

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Interesting Figures on Delinquency

THAT was a most interesting address that Deputy Insurance Superintendent RAYMOND T. NELSON of Illinois gave before the ILLINOIS ASSOCIATION OF INSURANCE AGENTS on some data gathered from the companies and general agents in connection with the filing of delinquent agents as of Oct. 1, the department having called upon all companies to furnish lists of agents and brokers that owed them balances over 90 days. It is estimated that there are 25,000 agents in Illinois and 16½ percent of these are delinquent. Among these delinquents are a number owing small amounts that are in dispute. They should not be in the so-called delinquent list. When a company, for instance, reports that an agent owes it 26 cents over 90 days old, just because there is some little item in controversy, that agent should not be reported to the department as delinquent. Taking all the reports, however, there are 16½ percent delinquent.

The total delinquency aggregates \$2,250,000. The fire insurance premiums of stock companies in Illinois last year amounted to \$42,852,268. The non-stock premiums amounted to \$4,422,766, not counting London Lloyds. Of the non-stock perhaps half of the premiums come from non-agency companies. Therefore one would be safe in saying that the total agency fire premiums or total premiums written through agencies on all fire and allied lines are in the neighborhood of \$45,000,000. The stock casualty companies wrote in Illinois last year \$41,963,113 premiums and the non-stock \$5,693,250. Therefore it is safe to say there are \$44,000,000 of agency premiums coming from the stock companies. That makes about \$89,000,000 of agency premiums in the state.

Perhaps, owing to the conditions of the times and the unusual obstacles that have confronted agents and brokers, the \$2,500,000 in delinquent premiums over 90 days old is not such an inordinate amount. What the insurance department obviously is interested in finding out is the cause of delinquency, what contributes to it, whether the companies are really endeavoring to be strict in their collections and whether the abuse of credit is adding too much to the cost of insurance in the state. Mr. Nelson pointed out that a large amount of uncollected premiums does add to the cost of carrying the business and this has to be considered.

Where agents and brokers inherently honest are making strong attempts to meet their obligations, even when confronted with baffling problems, severe criticism should not be meted out to them. Those that are notoriously delinquent, who have not the courage to budget their expenses as they should, who are indifferent and careless and who do not have a conscientious regard for their obligations should not be permitted to remain in the business. There should be a line drawn between those that are honest in their intention and are making a real endeavor to meet all demands and those who are unconscionable. There may be cases where conditions are so onerous that regardless of one's good intentions he cannot survive. The department naturally must consider the effect of outstanding premiums where long overdue on the cost of insurance and therefore it has a public interest. Perhaps with simply one quarterly report filed very few logical conclusions can be drawn. Some of the items, however, brought out in the Illinois address are most illuminating.

Spiritual Value of Work

WHEN one is in love with his work, when he is particularly attached to the job before him, he finds in it a great adventure. To many it becomes a real religion. It gives to even the most

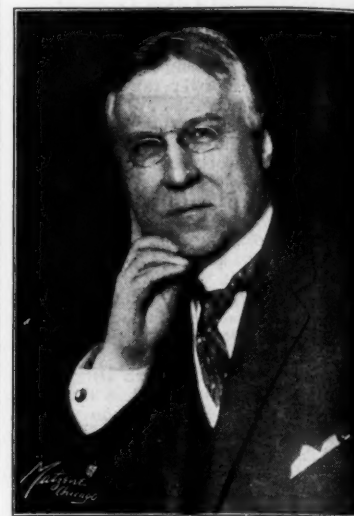
lowly an opportunity to achieve. Even the mechanical processes take on spiritual value when one sees their significance and joins them to the great scheme of things.

PERSONAL SIDE OF BUSINESS

E. D. Marr, 75, Kansas City, Mo., retired field man and formerly active in the Blue Goose, was hit by a car recently and suffered a scalp laceration and a severe shoulder bruise.

George J. Lieber of Detroit, manager of the Fidelity & Casualty, is bereaved owing to the death of his father, Albert F. Lieber, at Milwaukee last Sunday. His father was born in Milwaukee, Feb. 2, 1853. He was associated for many years with the Edward P. Allis Company, machinery manufacturers, which developed into the Allis-Chalmers Company. In 1882 he became chief engineer of the sewage system of the city of Milwaukee, serving for 35 years.

C. A. Bickerstaff, southern manager of the Fireman's Fund, who has just returned from the Pacific Coast, conferred with field men at San Antonio, Houston and Dallas, Tex., on his way back to Atlanta.



ARTHUR HAWXHURST

Announcement has just been made of the marriage of Byron S. Chapell, Wichita, Kan., local agent, to Miss Van Dilla Jones. Mr. Chapell takes an active part in association work and is now a member of the executive committee of the Wichita local board. The wedding took place at Hutchinson, Kan., while they were attending the annual convention of the Kansas Association of Insurance Agents, but was not known by the Wichita agents until a few days ago, when announcements were mailed out.

Two officials of the London & Lancashire Fire are over on this side from the head office, Governor W. F. Pascoe Rutter and General Manager Charles Hendry. Both are in the east and have been visiting with United States Manager Gilbert Kingan at Hartford. Mr. Henry paid a recent visit to the western department at Chicago.

E. Jay Wohlgenuth, president of THE NATIONAL UNDERWRITER, failed of election last week in his candidacy for the board of education of Cincinnati by a close margin and after a spirited campaign. He was endorsed by the "citizens school committee," whose slogan is "keep the schools out of politics," and by all three of the local daily papers. Various cross-currents in the local political situation contributed to the result, as the "citizens school committee" candidates usually win. The chairman of this committee is C. R. Wright, a director of the Union Central, and Jerome Clark, vice-president of the Union Central, is on the board of education, having been elected two years ago. Mr. Wohlgenuth had the support of both President Cox of the Union Central and President Williams of the Western & Southern Life, whose endorsements were printed in the press, and he also had the support of the insurance fraternity of Cincinnati.

H. M. Hanson, Springfield, Ill., formerly Illinois insurance superintendent, has bought the stationery department of the Jefferson Printing Company at Springfield, located on Fifth street, and will continue it. H. R. Williamson, formerly state printer, owns the Jefferson Printing Company and the Hartman Printing Company. The Jefferson Printing Company is now moving to the Hartman Company headquarters. The stationery department handles all forms of stationery and office supplies.

Arthur Hawxhurst of Evanston, Ill., who retired as insurance manager for Marshall Field & Co. of Chicago in 1917, died at his home last week after a lingering illness. In his day he was regarded as one of the great authorities on insurance from the buyer's standpoint. He was born in New Rochelle, N. Y., in 1852, and started with Field,

Leiter & Co. in New York City in 1870. Marshall Field transferred him to Chicago in 1873 and he became secretary of the corporation, serving until 1881, when he became insurance manager. He is survived by Mrs. Hawxhurst and four sons, Ralph R., an attorney; Paul, an insurance broker; Waldo, a publisher, all of Chicago, and Erle of New Orleans. The funeral was conducted from St. Nicholas Catholic Church in Evanston.

Wisconsin department attaches enjoyed a moose and venison dinner, the game being furnished by John R. Lange, chief actuary, and Lloyd J. Yaudes, examiner of the department, as the result of a recent hunting trip in Canada.

M. T. Krueger, Michigan City, Ind., who forsook law to establish a local agency there, celebrated his 80th birthday Nov. 10. He has been mayor of Michigan City six times and is now state representative from LaPorte county. He has been state representative three times and served one term as city clerk.

Harry L. Davis, head of the H. L. Davis Co. agency and long connected with the insurance business, took office Tuesday as mayor of Cleveland, having been elected last week. This is his fourth election as mayor of Cleveland. He has also served as governor of Ohio.

Mrs. Beda Dickson Cunningham, Glencoe, Ill., wife of R. M. Cunningham, well known Chicago insurance man associated with Marsh & McLennan, died at her home Sunday. In addition to Mr. Cunningham there survive a son, R. M., Jr., and two daughters. Mr. Cunningham has had in charge the world fair insurance account for Marsh & McLennan.

Percy H. Goodwin of San Diego, Cal., former president National Association of Insurance Agents, tarried a while in Chicago Sunday between trains en route to California. He has been in New York City since the closing of the national convention in Chicago, assisting in the effort to bring about an agreement between companies and agents as to the NRA code or setting up machinery to adjust differences.

C. M. Schenck, 83, vice-president of the Merchants Fire of Denver, for the past 18 years, died of a heart attack Nov. 9. He was prominent in business and civic affairs.

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— would even take such a chance. But many careful people risk their homes and money by underinsuring or buying cut rate policies.

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MONTREAL

FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Executive Committee Named Farm Mutuals Debate Boost

Official Lineup of Wisconsin Association for Coming Year Completed at Milwaukee Meeting

MILWAUKEE, Nov. 15.—W. J. Tucker, Beloit; W. B. Jackson, Eau Claire; C. W. Hejda, Manitowoc, and W. T. Greene, Milwaukee, were named members of the executive committee of the Wisconsin Association of Insurance Agents at a meeting of officers in Milwaukee. They will serve with Hugh A. Bird, Beaver Dam, who was elected chairman of the executive committee at the convention at Fond du Lac.

L. C. Hilgemann, Milwaukee, was again named chairman of the legislative committee and will select the members of the committee from various parts of the state before the next session of the state legislature.

The local board committee, which will act in an advisory capacity for the formation and development of local boards throughout Wisconsin, is composed of W. B. Calhoun, Milwaukee, chairman; C. J. Keller, Beaver Dam; Ralph Morse, Janesville; George Fries, La Crosse, and C. W. Konrad, Oshkosh.

A. R. Davies, Kenosha, chairman; C. E. Estabrook, Rhinelander, and R. E. Martin, Milwaukee, compose the membership committee.

Organization of local boards in the state and development of membership without intensive drives but rather by personal solicitation were stressed by W. B. Calhoun, Milwaukee, newly elected president of the association, both at the state convention and at the Milwaukee meeting. Another plan of activity during the coming year will be the holding of regional meetings and sales conferences in various centrally located cities. In this way more frequent contact with a larger number of agents will be had throughout the year, in cities more accessible to the agents, who are often unable to come long distances for the annual meeting once a year.

May Test License Ruling

LANSING, MICH., Nov. 15.—A test case in connection with the Michigan department's recent ruling on licensing is expected soon in Detroit. Commissioner Gauss announced some weeks ago that no more licenses would be issued to agents in the larger cities who do not do a general agency business but merely insure their own property or that of employers or affiliates or property controlled by their interests. The ruling is clearly aimed at officials or employees of banks, building and loan associations, and trust companies, who have obtained authorization in the past in order that commissions on insurance might be saved for their institutions.

It now appears that a prominent former official of a bank has become an agent and is planning to write all of the business controlled by this institution, including that of properties on which mortgages have been foreclosed and that on which mortgages are held. It is anticipated that mere refusal of a license will not satisfy this applicant and that a court test of the department's powers may ensue.

Rating Ohio Cities

The Ohio Inspection Bureau has just completed a rating of Indian Lake, near Bellefontaine and Lima. The bureau now has forces rating Cleveland, Elyria, Toledo, Hamilton and Wellsville.

Proposal in Wisconsin to Raise Premiums from 10 to 30 Cents Per \$100

MADISON, WIS., Nov. 15.—Wisconsin farm mutuals are discussing increasing premium rates. Stock companies operating in the state have already presented a merit rating plan which would result in increased premium rates on most farms, with premiums based on the history and conditions surrounding the hazard.

Many farm mutuals are discussing higher initial collections, the premium varying with different companies and running on an average between 10 and 20 cents annually per \$100. Some mutuals collect on a five-year basis. In recent years most of them have been compelled to levy assessments. The proposition now being considered is to raise the policy premium from 10 cents to 30 cents per \$100.

Commissioner Mortensen says his department is encouraging plans for higher premiums. He pointed out that if mutuals in that way could obtain a small reserve to meet losses it would obviate levying assessments and greatly strengthen their position.

Stover Starts Kansas Tour

Duane T. Stover, Wichita, newly elected president of the Kansas Association of Insurance Agents, left Sunday with Mrs. Stover on a tour of the state which will take him in the next two weeks to 15 towns and cities, where he will meet with local boards and hopes to secure a number of new members for the association. He will visit Iola, Chanute, Independence, Parsons, Coffeyville, Pittsburg, Fort Scott, Leavenworth, Kansas City, Kan., Lawrence, Topeka, Salina, Winfield, Arkansas City and Wellington. Agents in these cities have arranged either noon or evening meetings.

Hold Fire Training School

A regional fire training school is being held at Parkersburg, W. Va., under the general direction of Lloyd Layman, fire chief of Parkersburg. Representatives of fire departments and factory fire brigades from a number of cities in that section of Ohio and West Virginia are in attendance. On the program are R. B. Criswell, Ohio Inspection Bureau, Columbus; J. W. Just, Western Actuarial Bureau, Chicago; Plumber Fride, Morganton, inspector West Virginia department of mines, and S. L. Smith of Elmira, N. Y.

Kansas Mutuals Meet

The Kansas State Association of Mutual Insurance Companies held its annual meeting at Wellington. Action was taken to promote a closer relationship and a better cooperative spirit among the 18 member companies. It was voted to appoint a committee of one member from each company operating in five or more counties to give financial advice and counsel to any member in distress. J. M. Forbes, Farmers Mutual, Columbus, was elected president; E. J. Smaller, Alliance Cooperative, Topeka, vice-president, and H. J. Ferguson, Farmers Alliance, McPherson, was reelected secretary. C. E. Fullinwider, Farmers Mutual of Butler County, El Dorado, former president, was made a director of the National

association. The next annual meeting will be held at Columbus. A banquet closed the convention.

Ohio Farmers Men Elected

J. C. Hiestand, secretary of the Ohio Farmers, LeRoy, O., was reelected village councilman in the recent election. Other company employees elected to public office were R. B. Hawley, board of education; A. C. Kindig, mayor; W. J. Tanner, marshal; Paul Wertenberger, clerk; T. D. England, treasurer; R. G. Beesley, H. A. Haines, R. B. Hamilton, and Carl Simcox, councilmen; Howard Crane and G. S. Shaw, board of public affairs.

To Improve Detroit Efficiency

DETROIT, Nov. 15.—By unanimous vote the Detroit fire commission recommended to the city council that the fire department be put on a six-day week instead of the present five and one-half day schedule, as a means of increasing the department's efficiency. At the present time 180 men are on full-time every day. Detroit fire insurance interests are backing the proposal.

Michigan Special Session Called

LANSING, MICH., Nov. 15.—A special session of the legislature at which some insurance legislation is likely to be proposed has been called for Nov. 22. The two main subjects will be liquor legislation, federal and public works. The governor has indicated, however, that banking and insurance legislation will also be sought.

Kansas City, Kan., Meeting

KANSAS CITY, KAN., Nov. 15.—Duane Stover, president of Kansas Association of Insurance Agents, and J. V. Kelly, Leavenworth, vice-president and chairman of the executive committee, will meet with the Kansas City local board Nov. 21.

Discuss Code in St. Louis

ST. LOUIS, Nov. 15.—Members of the Fire Underwriters Association of St. Louis and some other insurance agents discussed the proposed code for insurance producers at a meeting Fri-

day. The matter was finally referred to a special committee of nine headed by A. L. McCormack, president of the association. The committee will report its recommendations and findings at another meeting tomorrow.

Akron Agents Are Absolved

Charles Herberich and Walter Herberich, president and secretary respectively of the Herberich-Hall-Harder Agency at Akron, O., were acquitted of the charges brought against them in connection with the failure of the Central Depositors Bank & Trust Co. of their city. They were directors of this bank and an attempt was made to hold the officers and directors guilty of irregularities. The charges against the two Herberichs could not be sustained.

Want Department Reorganized

OMAHA, Nov. 15.—Local agents and insurance organizations have taken their fight for a reorganization of the Omaha fire department to the chamber of commerce, with a demand that its operation be completely divorced from city politics. Business men have indicated a willingness to aid. Insurance men say that political interference with department operation cost fire companies several million dollars in the last few years in fires that were badly handled, without any real excuse.

Milwaukee Board Starts Season

MILWAUKEE, Nov. 15.—The Milwaukee Board held its first fall meeting at the Hotel Schroeder this evening. Presiding at the meeting was Ben. A. Lehnberg, who entered upon his third term as president. Reports on the state and national meetings were made but no outside speaker was provided. It is hoped to have Allan I. Wolff, national president, address some future meeting, probably in January.

President Lehnberg announced his committee appointments for the year.

J. E. Geisler, local agent at Herculaneum, Mo., died at a St. Louis hospital following an operation.

A. J. Reamer and C. B. Lawrence, who operated individual agencies at Norwalk, O., for several years, have consolidated as the Lawrence-Reamer Insurance Agency.

IN THE SOUTHERN STATES

Asks Licensing Cooperation

Superintendent Greer of Alabama Requests Companies, Field Men and Agents to Check Irregularities

MONTGOMERY, ALA., Nov. 15.—So many complaints of unlicensed agents have reached the insurance department that Superintendent C. C. Greer has written another letter to fire and casualty companies field men and agents, asking their cooperation to check irregularities. "The department wants every individual who is acting as an agent or solicitor, as thoughtful, honest insurance men to understand the terms 'agent' and 'solicitor,' and to be licensed," said Mr. Greer. "Please therefore, request a license for every agent or solicitor, who is acting as such in the true sense and meaning of these terms."

"The Alabama agents are requested to discuss this problem of licensing agents and solicitors with the special agents of the several companies represented. Persons engaged in the property insurance business, who are not authorized to bind the company on

risks, should be designated on requisition forms as 'solicitor,' and licensed as such. Whereas, persons authorized to bind the company on risks, should be designated as 'agent,' and thus licensed. Please make this distinction when submitting requisition for licenses for agents and solicitors. Special agents and companies are requested, in preparing requisitions for license, specifically to designate persons who have no authority to bind the company on risks as 'solicitors,' so that the department will license them as such, and not as 'agents.'

"This has been a troublesome problem, and has caused the companies, in certain instances, expensive litigation. Please give this matter the attention it deserves."

"The above statements have no reference to special agents, adjusters, inspectors and engineers. They shall all be licensed as heretofore."

Asks Court Action on Commissions

RICHMOND, VA., Nov. 15.—The Richmond Bridge Corporation, which is constructing two large bridges here with funds advanced by the federal government, has brought a suit in equity

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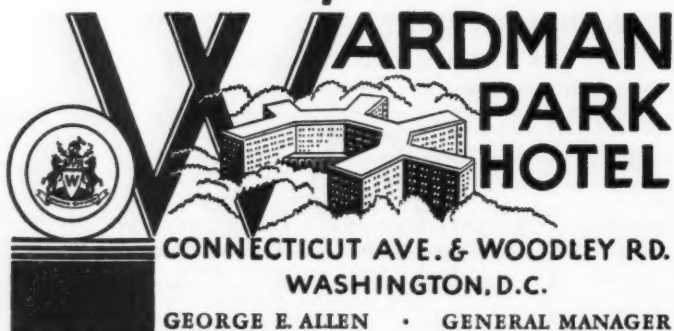
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in chancery court asking the court to determine how commission on the several lines of insurance covering the projects shall be distributed equitably among 33 agencies here which are claiming commissions. The suit, it appears, was the outgrowth of a dispute as to a proper distribution of the commissions. Approximately \$13,000 is involved.

Launch Reciprocity Move

SAN ANTONIO, TEX., Nov. 15.—At the San Antonio Insurance Exchange regular luncheon meeting Secretary F. F. Ludolph reported on the national convention. The NRA insurance code was a big topic of discussion.

A committee on business reciprocity was appointed on motion of J. E. Hammonds to impress on local business men the importance of placing their business with San Antonio local agents.

San Antonio Agencies Merge

The Sawtelle, Church & Smith and McAllister & Cary agencies, San Antonio, Tex., have consolidated as Sawtelle, McAllister & Cary, with offices at 912 Builders Exchange building.

F. W. Church, who had been with the Sawtelle, Church & Smith agency ten years and a broker for eight years before that, is retiring from the insurance business to devote his time to his other interests.

New Manager for Agency

LOUISVILLE, Nov. 15.—S. C. Shaw of Mayfield, Ky., son of L. S. Shaw, former president of the Kentucky Asso-

ciation of Insurance Agents, has become manager of the Brown & Martin agency here, now owned solely by Mrs. R. W. Snyder, sister of the late Frank H. Brown, who died a few months ago and left the agency to Mrs. Snyder. She is the wife of Robert W. Snyder of the Snyder Brothers General Agency, Louisville.

Mr. Shaw for a number of years was connected with his father's agency.

Vanston Stays in San Antonio

B. L. Vanston, formerly associated with Eugene Branshaw in the Branshaw & Vanston general agency of San Antonio, and now with Floyd C. West & Co. of Dallas as assistant general agent, will have offices at 326 Gunter building, San Antonio, Texas.

War on Unlicensed Agents

LOUISVILLE, Nov. 15.—Commissioner G. B. Senff has declared war on unlicensed agents and unauthorized companies operating in the state, and asked cooperation of county officials in his effort to protect the insurance buying public.

Dallas Women Resume Meetings

The Dallas Insurance Women's Club has resumed activities after the summer vacation. The first meeting featured a discussion of "Bonds" and a report on the National Association of Insurance Agents meeting in Chicago.

H. M. Compton, 50, of the H. M. Compton & Son agency, San Antonio, Tex., died suddenly last week. He had been in San Antonio 17 years and had lived in Mexico for 15 years previously.

EASTERN STATES' ACTIVITIES

Will Make an Investigation

New Jersey Insurance Department Will Institute Probe as to Payment of Excess Commissions

It is stated that the New Jersey insurance department will make an investigation of the alleged violations of the law requiring fire companies to pay uniform commissions in the state. The Eastern Underwriters Association recently made an investigation on the commission situation. It seems from its report that a number of companies are paying non-policy-writing agents 5 percent higher commissions than they are paying others. Deputy Gough of the New Jersey department called upon the Eastern Underwriters Association for a copy of its report. The E. U. A. declined to furnish its report until the executive committee meets Nov. 16 saying that by its authority only could the report be given out. If the department does not secure the E. U. A. report, it will make an independent investigation and will go to the companies direct.

Suffolk County, N. Y., Meeting

The Suffolk County Association of Local Agents will hold its 25th anniversary at Patchogue, L. I., Thursday evening of this week with Judge Albert Conway, formerly New York insurance superintendent, as toastmaster.

Hits Free Insurance Practice

The New Jersey Special Agents Association has appointed a committee to investigate the free insurance practice in the state and will endeavor to minimize it. Many assureds return policies "not taken" after they have been in force for some time.

Survey Boston Harbor Hazards

BOSTON, Nov. 15.—The recent \$750,000 storage oil plant fire at Tiverton, R. I., on the shore of Mount Hope bay and the possible fire hazards in

relation to the oil plants in and about Boston harbor have led the Boston Board, New England Insurance Exchange, Eastern Underwriters Inspection Bureau, the state fire marshal, Boston fire department and other allied interests to combine for an exhaustive survey of conditions in the harbor. Isaac Osgood, engineer of the Boston Board, is in charge of the survey.

Opens Life Department

The Schlesinger-Heller Agency of Newark, which has been established for more than 43 years, has added a life department to the agency, under the supervision of N. C. Litwack, who has been in the life insurance field for about six years.

O'Neill to Speak at Rochester

F. J. O'Neill, president of the Royal Indemnity and Eagle Indemnity, will be the speaker before the Rochester, N. Y., Underwriters Board committee meeting Thursday evening of this week.

News of Pacific Coast States

Raps Insurance Department

President Menn Says California Laws Not Properly Enforced—Wants Insurance Man as Commissioner

The administration of the California insurance laws was criticised by President W. H. Menn of the California Association of Insurance Agents, in a joint report with C. T. Buckman, chairman of the executive committee, and F. C. Colridge, executive secretary, at the annual convention at Pasadena. "The record of the department during the past year has been most disappointing," he said. "Vacillation has been the characteristic

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attitude toward major problems of enforcement. In a large measure, respect of insuring public, companies and producers has been lost through such tactics." The insurance department holds that license fees have been insufficient to cover the cost of licensing of producers and enforcement of the insurance laws, particularly the agents' and brokers' qualification measure.

The California association sought to increase the license fees at the last legislature so that the necessary funds could be secured for enforcement, said Mr. Menn. Although insurance department appropriation has been reduced, the same amount is being allowed to the licensing division, but the funds set aside for law enforcement are practically nil. Mr. Menn urged the appointment of an insurance man as commissioner.

Intermountain Field Meeting

At the annual meeting of the Intermountain Field Club of Salt Lake City, composed of field men residing in that city, R. T. Williams, Aetna, was elected president; A. E. Esray, North America, vice-president, and O. F. Keller, Commercial Union, secretary and treasurer. The meeting was followed by a dinner dance with Insurance Commissioner E. A. Smith as guest of honor.

Seattle Blanket Club Elects

SEATTLE, Nov. 15.—At the annual meeting of the Seattle Blanket Club, Walter Crockett, local agent, was elected president; Edward Byington, Northwestern Mutual Fire, vice-president; Harry Williams, Jenner Insurance Agency, secretary, and James Lockett, treasurer.

Buckman, Lichtenstein Speak

C. T. Buckman of Visalia, elected president of the California Association of Insurance Agents at the annual convention last week, addressed the San Francisco Insurance Brokers Exchange at a luncheon meeting Nov. 16 on co-operation between the two organizations. Joy Lichtenstein, vice-president Hartford Accident and Pacific Coast manager of the Hartford Fire, also spoke.

Policy Review Week Successful

BUTTE, MONT., Nov. 15.—Policy review week sponsored by the Idaho Association of Insurance Agents was an outstanding success. State-wide publicity was given and local associations carried large advertisements in newspapers. Indications point to review week becoming an annual affair. A proclamation was issued by Governor Ross to launch the week.

Reynolds Addressed Agents

J. W. Reynolds, president of the United Pacific Casualty of Seattle, spoke last week before the King County Insurance Association there, discussing the present status of casualty insurance.

Bar "Stipulated Amount" Clause

SALEM, ORE., Nov. 15.—Use of the "stipulated amount of insurance" clause in lieu of the percentage average clause has been annulled in Oregon, according to J. N. McCune of the Oregon Insurance Rating Bureau.

Harry Egan in New Post

Harry Egan has resigned as special agent of E. A. Strout & Co., Seattle, to take a similar position with the Armstrong General Agency. He has been in insurance work since 1902, is past most loyal gander of the Blue Goose and a former secretary of the Seattle Insurance Exchange, now known as the King County Agents Association.

Pacific Coast Notes

H. C. Lyng, for the past three years in charge of the hail and crop department of the America Fore in Spokane, Wash., recently closed, has opened offices in the



"How about the damage to your own car?" queries the Alliance National Advertising for November. Motorists who still think they can depend on the other fellow for protection are advised to "ask the Alliance Agent".



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Mohawk building there as an independent adjuster.

C. B. Rich, 68, Grand Junction, Colo., well known local agent for more than 30 years, died last week.

Buckman Elected by Californians

(CONTINUED FROM PAGE 3)

at once the solution of them all. Companies were invited to confer on the matter of a joint code of fair competition prior to the Chicago convention but no response was had. The convention considered the code question deliberately and at length and even in view of the difficulties which could be recognized passed on to the executive committee a unanimous mandate to file a code embracing competitive practices. There seemed nothing else to be done and the membership was earnest in its intention that something must be done."

In discussing the code meeting in New York, Mr. Battles said: "Obviously our executive committee shares the skepticism that is in the minds of all of you as to the outcome of this adventure. However, I am impressed with the seriousness with which the companies have approached this problem and believe that we should make an earnest effort to make the most of the opportunity which is now before us. If approximately the same results can be obtained by some such program I believe there can be none who will not agree that it is to be preferred to airing our troubles before the governmental agencies."

At the group session for agents producing up to \$75,000 in annual premiums, Vice-president C. T. Buckman of Visalia presided. Agency management was discussed including: Advertising, solicitation of business, surveys, inspections, rating schedules, data and records for agency use, service to assureds, office routine, net premium



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NORTHWESTERN Fire & Marine Insurance Company

John H. Griffin, President
MINNEAPOLIS, MINNESOTA

classification, collections, personal contacts, purchases of agencies and the use of the service of the National Automobile Club. In connection with the discussion of advertising there was a display of the exhibits of various forms of advertising submitted by a large number of agencies. H. H. Kirschner spoke on the value of advertising as a sales force. In the discussion of survey forms, the chairman referred to the forms furnished by Rough Notes Company as having been used very successfully.

About 50 attended the group meeting for agents producing over \$75,000 in annual premiums, at which C. Q. Brady, Los Angeles, presided. The main topic was the servicing by agents of lines of coverage already on the books and the development of new business through systematic and aggressive survey campaigns. It was suggested that a city be divided according to location of prospective risks, with a separate division based on classification of risk.

Problems of Agency Service

It was pointed out that engineering service is one of the fairest methods of competition. Chairman Brady outlined some efficient methods of handling compensation claims. The survey system as used by agencies in analyzing larger lines was encouraged only in the event a capable office does the work. Chairman Brady seemed to speak for the group when he said that he believed in low cost insurance that is consistent with safety. He also stressed the value of agency service particularly at the time of the loss. Some of the evils that have grown up in the business were mentioned, namely, trade associations for securing cut rate coverages; fictitious fleets; apartment house owners associations; accepting reductions in commissions or rebating; the use of a cut rate company by an otherwise standard agency.

In discussing production of business, Chairman Brady urged that every agent have a definite objective. Frank W. Bland of THE NATIONAL UNDERWRITER suggested agents depend less on special agents in solicitation of business and study the fire and casualty business themselves.

At the close of the session, W. S. Pearce, advertising manager Fireman's Fund, spoke of the assistance that every home office advertising department wishes to give to the field. Most of this advertising is designed to break down sales resistance. He says that the personal calls and follow-ups are necessary for the securing of business.

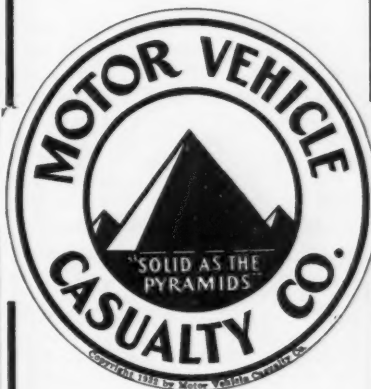
Menn Is Toastmaster

At the annual banquet W. H. Menn was toastmaster. J. K. Ingham, Pasadena, thanked the companies and local associations for making the convention possible. Prizes won in the annual golf tournament were presented. The feature prize was won by J. K. Johnson, Los Angeles, with a low gross score of 80. C. W. Hepburn won second low gross prize. The blind bogey was shared by C. E. Gale, W. Whelan, F. R. Robinson, E. J. O'Neil and C. B. Fisher. Roy Jordan, chairman entertainment committee, presented an interesting vaudeville program.

A breakfast conference was held for those interested in writing political subdivision insurance. H. M. Bradley presided. R. V. Miller, Oakland, explained the Oakland plan under which the association handles all details of securing this class of business. The association has a man with technical knowledge arrange schedules of work, make all contacts and furnish complete reports to a committee. In the majority of cases, special policy forms for fire, casualty and surety have been prepared and approved by the various rating bureaus. The association now writes approximately \$150,000 of premium income per year. Short talks were made by Laurence Canfield, Santa Cruz; R. M. Clark, Merced; H. J. Thielen, Sacramento; P. J. Riordan, Stockton, and A. J. Rapp, San Mateo.

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EMPLOYERS REINSURANCE CORPORATION

E. G. TRIMBLE, President

The National Underwriter

November 16, 1933

CASUALTY AND SURETY SECTION

Page Twenty-three

Automatic Rate Hike May Result

Anticipate This Effect from Withdrawal of Schedule Rating on Compensation

GOES IN EFFECT DEC. 31

Only Recourse Seen in Experience or Equity Rating, to Which Many Risks Are Not Eligible

Withdrawal of schedule rating Dec. 31 on all workmen's compensation risks to which it is applied it is estimated will result in a rate increase of not less than 5 percent on the class of risks affected, and possibly of 2 percent or so in total compensation premiums. This estimate is based on an estimated excess of credits over debits under schedule rating of the same figure of 5 percent.

For at least the ensuing year it is anticipated that this action will cause many misunderstandings in the field and complaints from employers, agents and brokers for a year, until they become adjusted. Employers who have been getting large credits naturally will keenly feel the change due to elimination of these credits and the automatic premium increase which will result. On the other hand there will be many risks which have been debited under the schedule rating plan and which therefore in effect will enjoy a premium reduction. On this score, the companies and agents may be expected to take any action needed, such as the securing of penalty rates.

Many Risks Disqualified

For the time being there appears to be no way of adjusting differences except by experience and equity rating. However, under rules of the National Bureau of Casualty & Surety Underwriters a risk to be entitled to experience rating must develop \$1,000 of premiums in either one or two years. Obviously there will be a great many risks which will not be able to qualify and which, therefore, will have recourse only to equity rating.

The bureau's rule regarding qualification for equity rating is \$300 premium in a year or \$600 premium over two years. These limits also eliminate a large proportion of the smaller risks. This rule, it is said, is not strictly adhered to in all cases. Special treatment sometimes is possible.

In the absence of any modification of rules, risks which qualify neither for experience nor equity rating must be rated at manual.

The risks affected are all those with minimum payroll of \$15,000 per year and developing at least \$150 annual compensation premium, as these are the qualifications for schedule rating which were in effect.

Schedule rating for many years has had the desirable effect of inducing em-

Residence Burglary Losses in Brooklyn Are Excessive

OFFICIALS ARE CONCERNED

Stricter Underwriting and Hope for General Business Improvement Not Potent Enough Correctives

NEW YORK, Nov. 15.—Residence burglary losses in Brooklyn continue to such degree that company officials are decidedly worried and are considering various measures looking to their betterment. The most important suggestion advanced has been to caution claim departments to more thoroughly investigate every claim before approving it for payment, and to seek the active cooperation of the police in tracking the sneak thieves.

The condition is by no means a new one, having existed for several years. No positive action has ever been taken other than to scan all risk offerings critically, feeling that improvement might be expected to follow a change for the better in the general economic situation, an expectation that has not been realized. The thefts reported are not confined to any particular section of the borough but come from every residential division. Losses are severe in the two-family buildings, row after row of which are to be found throughout Brooklyn, making entry to the structures by sneak thieves comparatively easy. The territory covered is extensive and difficult to adequately patrol with the present police force, a situation fully appreciated by the light fingered gentry, who make the most of it.

A goodly percentage of the claims are from risks controlled by certain brokers and it is suspected that the latter are responsible for padding the amount of the alleged losses. Whether this suspicion be justified, and if so to what extent, will likely be revealed under the more thorough investigations which the claim men have been directed to make by their companies. The annual robbery premiums in Brooklyn total approximately \$600,000, less than one-fourth that received from Manhattan, which has a far lower loss ratio.

Employers to clean up their shops, install and maintain adequate safety organizations and put in all possible machinery and other safeguards, for this work was reflected in the credits which were allowed.

It is felt in the field that company members of the National Bureau may have come to the conclusion that employers benefiting by the schedule rating plan had brought their plants to as high a scale of safety as was practically possible and there was no further need to extend the credits. On the other hand it is feared that withdrawal of the inducement to save premiums by such work may cause a slump in maintenance of safety organizations in many plants and corresponding increase in compensation loss.

Schedule rating admittedly has been the medium for many abuses due to competition. Most men in the business considered it proper if not made retroactive and if it were applied at the end

C. W. French Is President of Seaboard Surety Company

TRAINED IN WESTERN FIELD

E. D. Livingston Becomes Chairman of Board, His Health Forcing Less Burdensome Duties

NEW YORK, Nov. 15.—C. W. French has been elected president of the Seaboard Surety of this city, succeeding E. D. Livingston who becomes chairman of the board. Mr. Livingston has been in bad health for some time and his retirement from active work is due solely to that fact.

Mr. French was formerly in his father's law office at Lake Geneva, Wis., and entered the John D. E. Eldred agency there in 1910. In 1914 he went with the Royal Indemnity as special agent, handling surety production and claims out of the Chicago office, covering most of the central western states. He then was appointed manager of the bonding department in the west. For a time he was in the general agency of Childs & Wood of Chicago, who represented the Royal Indemnity.

Opened Administrative Office

He opened the administrative office of the Royal Indemnity and Eagle Indemnity in Chicago in April 1923, being appointed resident vice-president in charge of Illinois, Wisconsin, Michigan and Indiana. During those seven years the business was built up to excellent proportions. In May, 1930, he went with the Seaboard Surety as vice-president, being in executive charge of the Chicago branch which was opened June 1 of that year. Immediately he started expanding the western department and possessing real administrative and organizing ability he was able to develop a fine business for his company. He was president of the Chicago Surety Underwriters Association until he took the Seaboard Surety position. Later on he was called to the home office as first vice-president to be the second in command.

He was born at Lake Geneva, Dec. 10, 1886, and was graduated from the University of Wisconsin.

Mr. Livingston is a native of Baltimore having been born there April 26, 1880. He was with the Fidelity & Deposit, then in turn with the Aetna Indemnity, United Surety, Metropolitan Surety, Empire Surety and then was 11 years with the Royal Indemnity. He went with the Independence Indemnity for two years and joined the Seaboard Surety in 1928.

Though Mr. Livingston has retired as president of the Seaboard Surety, he will keep in constant touch with its affairs. E. W. Briggs has been advanced to the first vice-presidency. H. W. Rudolph continues as secretary-general counsel.

of the policy year. However, it was quite common for minutes of safety meetings that never were held to be written up for months in the past in order to qualify a plant for credit of

(CONTINUED ON LAST PAGE)

Agents, Officials to Formulate Plan

Committees to Confer on Workmen's Compensation Program to Present to Commissioners

LESLIE'S SUGGESTIONS

Practical Methods of Dealing With Unsatisfactory Situation Called for by State Supervisors

NEW YORK, Nov. 15.—William Leslie, associate general manager of the National Bureau of Casualty & Surety Underwriters, is understood to have prepared a number of suggestions for changing the present method of rating workmen's compensation risks, and will whip them into final shape once they have been passed upon by the executive committee of the organization. It was planned to have the matter reviewed by the committee on Nov. 8, but the calling of the joint conference between representative company executives and local agents to consider field issues the same day interfered with the program.

Companies Asked for Suggestions

The companies were asked by the National Convention of Insurance Commissioners to suggest practical methods of dealing with the unsatisfactory compensation situation some months ago, since which time company officials have been assiduously at work on the problem. The non-stock carriers have already delivered their suggestions and when those of the stock companies are in hand the committee on workmen's compensation insurance of the Insurance Commissioners' Convention, which has certain more or less definite ideas of its own upon the subject, will be able to complete its report in time for submission to the winter gathering of the state officials in this city Dec. 5-6.

At the request of Associate Manager William Leslie of the National Bureau, the National Association of Insurance Agents named a committee to confer with company executives over problems peculiar to the workmen's compensation line.

The agents selected are W. E. Harrington, Atlanta, chairman; C. F. Liscomb, Duluth; Charles Bellingier, W. H. Perrin & Son, New York City; W. H. Stewart, Stewart, Keator, Kessberger & Lederer, Chicago, and C. T. Smith, Dallas.

Bureau's Committee

The Bureau representatives are: C. B. Morcom, vice-president Aetna Casualty; R. J. Sullivan, vice-president Travelers; Kenneth Spencer, vice-president Globe Indemnity; E. J. Bond, vice-president Maryland Casualty; W. E. McKell, president New York Casualty; J. M. Haines, United States manager London Guarantee & Accident; J. S. Phil-

(CONTINUED ON NEXT PAGE)

New Hampshire to Approve Auto Liability Rate Raise

LINE SHOWS HEAVY LOSSES

Reliable Companies Would Withdraw
From State if Not Given Relief,
Sullivan Says

CONCORD, N. H., Nov. 15.—As a result of the disastrous experience of the companies on that line in this state, Commissioner John E. Sullivan has indicated that he will approve an increase in automobile liability rates. He said that, even on the showing made in the last two years, he might possibly be within his authority in refusing to sanction rate increases, in the hope that New Hampshire will do better next year, but that the results of such ruling might be unfortunate. The reliable companies would quite likely withdraw from the state, he added, "and there is no way of forcing them to accept New Hampshire business if they do not want it. It is a fact that, already, two or three of the larger companies have instructed their managers to write no more policies in certain sections of this state."

He cited figures showing that automobile liability premiums in this state last year were \$1,117,694 and claims paid \$816,795. Allowance for "the legitimate cost of doing business," adjustment expense and reserves would add \$321,718 more, making the total cost of New Hampshire business to the companies \$1,138,513, or a net loss of \$20,829.

"The argument that what they lose here may be made up somewhere else does not hold," the commissioner said. "If New Hampshire has a bad record in the matter of automobile accidents, with consequent demands on the insurance companies, it is hard to see how New Hampshire can avoid paying the penalty."

Commissioner Sullivan is not in favor of any compulsory insurance plan. He says that a large portion of the cars in the state, particularly in the summer, are from states where insurance is not required, and it would not be just to compel New Hampshire citizens "to do what we cannot force our visitors to do."

"The real remedy," he said, "is to be found in fewer accidents, in greater care on the part of automobile drivers."

Two Interesting Disability Decisions Are Reported

The current issue of "Insurance Decisions" of Indianapolis contains two unusual cases, both arising under disability policies. One was where the insured was imprisoned but was permitted to recover nevertheless. The other was a railroad employe who was employed on the highway by the state but who claimed that this employment was a mere sinecure.

The first case was *Baum vs. Equitable Life of New York* from the appellate term of the supreme court of New York. The court held that the assured is not precluded from recovery by reason of the fact that he is confined in prison saying: "We construe the policy as providing for compensation rather than for indemnity for loss of earnings."

The record does not disclose the nature of the occupation nor does it state whether he was precluded from pursuing it prior or subsequent to his incarceration.

In *Nelson vs. Brotherhood of Railroad Trainmen*, in the Missouri supreme court, the policyholder claimed to be totally disabled in his regular job although he was employed by the state "as an electrician or helper in that work and he was being paid nearly \$100 a month." The insured insisted that this outside employment should not militate against his demands for indemnity be-

Goes to the Top



C. W. FRENCH

C. W. French, first vice-president of the Seaboard Surety of New York, has been elected president. He is a product of the middle west and for many years was stationed in Chicago, being one of its leading surety underwriters.

Auto Loan Companies Seek Injunction Against Palmer

Insurance Director Palmer of Illinois was made defendant in a suit filed Tuesday by eight Illinois concerns lending money on automobiles, which sought an injunction to prevent him from enforcing regulations promulgated Nov. 1. Their chief complaint is that the new rules forbid loan companies to write insurance on autos in which they make loans. Another cause of complaint is that they would not be permitted to hypothecate notes for loans from banks. Mr. Palmer's rules also forbid the loan companies to collect commissions for storage, towing service and repairing automobiles which they seize. The companies also objected to an approved form for notes and chattel mortgages.

Mr. Palmer was given jurisdiction over auto loan company practices in a campaign to suppress loan sharks. According to F. H. Lancer, head of the loan shark division, Better Business Bureau, the bond and insurance "racket" is one method employed by some auto loan companies to extract more than the legal rate of interest. Borrowers were required to put up surety bond costing from \$6 to \$12 to protect the lender against removal or sale of the auto. In addition, \$12 to \$15 would be charged for insurance.

Standard Accident Statement

The Standard Accident as of Oct. 1 shows assets \$16,793,706, premium reserve \$5,516,671, capital \$1,213,360, net surplus \$245,367. Through the Reconstruction Finance Corporation financing plan there will be added to policyholders' surplus \$3,375,000.

cause he asserted his employment was in the nature of a sinecure and it was not necessary for him to do the work actually for which he is employed by the state; that he was not doing the work although he was being paid for it. He was not able to render the services for which he collected the monthly compensation. The court sustained the lower court and denied the insured the indemnity claimed.

Authority to write the various types of excise bonds in New York state has been granted the *St. Paul-Mercury Indemnity*.

Improved Auto Fleets Are Increasing Fast in Illinois

MANY AGENTS ARE AROUSED

Hope Is Expressed That the State Insurance Department Will Take
Summary Action

Improved automobile insurance fleets are increasing in number especially in Chicago and other large cities of Illinois. This practice has become so prevalent that almost anyone having any sort of attachment can swing into a group where he gets a lower rate on his automobile insurance. Under the rule, only machines governed by a common ownership are eligible for a special rate. With business reduced, many of an ingenious turn of mind have sought to secure new commissions by organizing these fleets.

Last August the Illinois insurance department sent out a searching questionnaire to fire and casualty companies in which a number of leading questions were asked regarding their practice concerning these fleets. The department has been busy with other problems but it is expected that by the first of the year some ruling will be made. One of the worst features of the fleet plan is the sharp reduction allowed in states where there are no anti-discrimination laws as in Illinois to bring down the average where fleets belong to groups that operate in a number of states. Under a common ownership in anti-discrimination states a lower rate is allowed in others in order to get the business.

Van Schaick Asks Accounting from 17 Officers of Mutual

NEW YORK, Nov. 15.—As a result of investigation by Superintendent Van Schaick into affairs of the Hamilton Mutual Auto Casualty of this city, action has been instituted in the supreme court to compel 17 of its officers and directors to account for various acts of malfeasance, misfeasance and non-feasance charged against them. The estimated damages are \$350,000.

Casualty Actuarial Meeting

NEW YORK, Nov. 15.—The election of officers and seven members of the council will constitute the business session at the annual meeting of the Casualty Actuarial Society here Nov. 24, following which papers will be presented and discussions had.

Liquor Bond Rates Filed

NEW YORK, Nov. 15.—The Towner Rating Bureau has filed with the New York department a 1 percent rate on bonds issued to manufacturers, wholesalers and retailers of wines and whiskeys, the rate to be for the term of the bond, which will likely be until April 1, when it is anticipated new laws to be adopted by the legislature will become effective. The bonds are required by the New York state alcohol beverage control board.

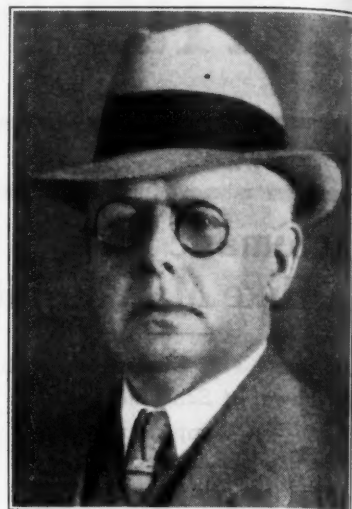
Globe Indemnity Figures

The Globe Indemnity as of Oct. 1 shows assets \$34,055,073, premium reserve \$7,878,805, claim reserve \$13,422,210, special loss reserve \$2,000,000, contingency reserve \$3,440,152, capital \$2,500,000, net surplus \$3,851,553.

Mallery Goes Abroad

G. L. Mallery, vice-president Security Mutual Casualty of Chicago, sailed from New York Wednesday for a visit of several weeks in London. While in New York he conferred with J. P. Gibson, Jr., head of Excess Underwriters, Inc., which handles reinsurance and excess covers for the Security Mutual.

Guarantee Agency, Inc., Starts in Indianapolis



T. W. RODEBAUGH

The Guarantee Agency, Inc., a stock agency, has been organized to act as general agent of the recently incorporated Guarantee Reserve Life at Indianapolis. It will also conduct a fire and casualty general agency business. T. W. Rodebaugh is president, the other officers and incorporators being Charles G. Quinn, vice president; August C. Enderlin, Sr., treasurer; Edward H. Rothkopf, secretary; Arthur F. Murray, Frank Haney and Urey Warmoth, directors. K. R. Warne is manager of the fire and casualty department. Charter members of the Guarantee Reserve Life are stockholders in the Guarantee Agency, Inc. Offices of both companies are located in the Meridian Life building, 307 North Pennsylvania street, Indianapolis.

Agents, Officials to Formulate Plan

(CONT'D FROM PRECEDING PAGE)

lips, chairman Great American Indemnity, and W. S. McCaffrey, vice-president Royal Indemnity.

While no date for a joint meeting has been set, it will take place very shortly. The desire is to formulate a program well in advance of the gathering of the National Convention of Insurance Commissioners early next month.

The state officials are deeply interested in the future well being of the compensation business and are anxious to have practical suggestions looking to the elimination of conditions now hampering its development.

Joyce Becomes Broker in New York City Office

Speculation as to the line of effort W. B. Joyce would engage in, which has been active since his retirement from the chairmanship of the National Surety Corporation several months ago, is set at rest through his announced purpose to act as "a surety bond and insurance broker, in this city, featuring surety, blanket, forgery bonds, and burglary and hold-up covers," all lines with which he is very familiar and many of which he originated. He declares his unwillingness to ever again take over the responsibility of managing an insurance company. As a business producer Mr. Joyce has long been recognized as the foremost figure in surety circles.

Alabama Agents Must Write or Countersign All Bonds

AFFECT HIGHWAY CONTRACTS

Superintendent C. C. Greer Issues Ruling in Connection With Federal Road Building Program

MONTGOMERY, ALA., Nov. 15.—Highway contract bonds must be written and countersigned by duly licensed Alabama insurance agents who must receive the usual commissions, but a non-resident agent or broker licensed in Alabama, who writes a contract properly countersigned by an Alabama agent, may receive not more than 50 percent of the commissions, according to a ruling rendered by Superintendent C. C. Greer. If the ruling stands it means hundreds of thousands of dollars in premiums, which have heretofore been written outside the state, will be retained in Alabama and paid to resident agents. The action was taken in connection with the big federal highway building program, the total to be spent being \$12,000,000. When the question arose, approximately \$2,500,000 in contracts had already been awarded and the premiums on these highway contract bonds, it is stated, had gone almost wholly outside the state.

Attorney-General Advises Ruling

In making his ruling Mr. Greer was guided largely by advice from the attorney-general's department. He sets out Section 8353 of the Alabama code, prohibiting foreign insurance companies from doing business in Alabama except through agents regularly commissioned and licensed in this state. He then quotes Section 289 of the insurance code requiring all stock fire and casualty companies doing business in this state to issue all policies through resident agents duly licensed, who shall countersign all policies, the agents receiving the commission, and that not over half of such commission may be paid to a licensed non-resident agent or broker. He then cites Section 443 of the insurance code defining an insurance agent, and Section 44 of the same code, which says: "No person shall engage in business as an insurance agent until he shall have complied with the laws governing insurance agents and procured a license in accordance with the provisions of this act."

"From the first section," Mr. Greer holds, "it appears mandatory that contracts of insurance must be made only through agents of qualified companies regularly commissioned and licensed to write contracts of insurance in Alabama. From the reading of the second section, it appears certain that contracts of insurance upon property or risks in this state must be written by resident agents duly licensed, who shall issue and countersign such contracts, and that such resident agents shall collect and retain the usual commission."

Exception Is Noted

"There is, however, this exception: it appears from the second section that a non-resident agent or broker who is licensed in this state may receive half of the commissions on a policy written by him and countersigned by a resident agent."

"From the language in the last section, an individual can not legally act as agent without complying with the agency law. If he shall act as agent without authority, he is subject to a comparatively severe penalty."

"Official surety bonds can only legally be written by companies qualified in Alabama to write such bonds, and such companies can only legally do business through regularly commissioned and licensed agents in the state of Alabama. Moreover, they are required by law to pay the commissions upon insurance

Tells Start of Schedule Rating

Something of the "background" of schedule rating of workmen's compensation risks, which has been discontinued country-wide as of Dec. 31, is presented below by R. R. Doble, underwriter of the Western & Southern Indemnity, Cincinnati, who sat in the first discussions out of which was developed schedule rating.

Having read in this week's edition of THE NATIONAL UNDERWRITER of the "obituary" or "burial" of schedule rating, I was taken back approximately 21 years to the "birth" of what was then known as merit rating; afterwards assuming the dignified title of universal analytical rating, following Carl Hansen, then with the National Bureau of Casualty & Surety Underwriters, injecting into the initial method, such a degree of finesse as to require a more dignified title; and at its "demise" having been dubbed with a less dignified name—schedule rating.

In September or October, 1912 (which I believe is the date that the Michigan compensation act became effective), the writer happened in the office of Dwyer, Jenison & Barry in Lansing, Mich., finding Olin Jenison much disturbed over the high advisory compensation rates appearing in endorsement to be attached to the firm's (clients') employers' liability policies then in existence.

Discuss Dean Schedule Idea

This led to a discussion of the Dean schedule and reasons, if any, why the principles of the Dean schedule could not be applied to the rating of manufacturers' risks for compensation. The writer was then Indiana and Michigan branch manager of the Aetna Life and affiliated companies of Hartford, and that company not then being in the bureau, our thoughts were conveyed to J. Scofield Rowe, then vice-president of the Aetna affiliated companies.

The result of this was a conference a few days later with Mr. Rowe in Hartford, followed by a meeting of safety engineers of the Aetna in the cardroom of the Hartford club, the following day,

Sunday. At that time we prepared as near as I can recall an 11- or 12-page booklet enumerating all of the physical improvements having a tendency to minimize the operating hazards.

With this and a special form of inspection report we set out with several Aetna inspectors (with special agent's qualifications) to contact the leading manufacturing plants in Michigan, with an agreement to inspect and "merit rate" such risks under 30-day binder, agreeing to issue policy at the merit rating promulgation if satisfactory; if not, to charge a pro-rate premium for the time the binder was in force.

The result of this was an innovation insofar as this class of insurance—then much in its infancy—was concerned, resulting in the Aetna acquiring a substantial volume of compensation business written at merit rates.

Jenison Given Credit

The ultimate result being obvious, Michigan representatives of other companies complained vigorously. Within a few weeks a meeting was called in Detroit at which 12 to 15 companies were represented by home office executives. The ultimate outcome was that Mr. Rowe agreed not to merit rate a risk of a bureau company, if that risk had been with a bureau company for 30 days. This, naturally, limited the activities of the Aetna, but out of the whole matter merit rating was evolved.

The idea was a "brain child" of Mr. Jenison. The writer was the intermediary who carried the thought to Mr. Rowe. Through the aid of inspection data then quite comprehensively built up by the Aetna, the plan was put into actual being.

The only trouble found with the plan in its early stages was that many risks of physical super-standard character would produce high accident frequency and unsatisfactory loss ratios. The plan did not contemplate the elements of luck. It was, therefore, necessary shortly to inject experience rating into the schedule plan.

Excessive Speed the Cause of Many Automobile Accidents

NEW YORK, Nov. 15.—A study of fatal automobile accidents that occurred last year revealed that a large proportion were the result of excessive speeding. Challenging the oft-made assertion that "60 miles an hour is a safer speed than 20," R. N. Caverly, vice-president of the Fidelity & Casualty in charge of its claim division, points out that in the event of a collision "the damage done is the result of the total energy involved." He adds: "The car that is traveling at 60 miles an hour is not only more likely to meet with an accident than the one going 30, but if it does, it hurls into that accident a far greater destructive force."

contracts written in the state to licensed resident agents, with the exception that a non-resident agent or broker who is licensed by the state may receive not more than 50 percent of the commissions upon a contract written by such agent and duly countersigned by a licensed resident agent.

"Highway contract bonds, then, to comply with the law, must be written and countersigned by resident agents duly licensed, and such agents must receive the usual commissions from the company, except that a non-resident agent or broker licensed by this state who writes a contract and has it properly countersigned by a licensed resident agent, may receive not more than 50 percent of the commissions."

While the ruling immediately affects only the official surety bond business,

Commissioner Can't Act as Court, to Determine Liability

CONCORD, N. H., Nov. 15.—The New Hampshire supreme court holds that the insurance commissioner is not empowered to sit as a court for the trial of controversies between insurance companies and their policyholders and that it was not the purpose of the act of 1931, under which he has claimed that right, to give him such power.

The case was that of American Motorists vs. Central Garage. The owners of the garage in March, 1931, obtained employers' liability and automobile liability policies from the American Motorists, but the company gave notice of cancellation July 31 and Aug. 1 of that year. Claim was made against it on account of an accident, Nov. 20, 1931, in which a truck owned by the defendant was involved, but the company denied liability. The insurance commissioner ruled that the policies were in effect and sought to enforce that ruling, but the American Motorists appealed to the courts, which sustained its position.

Roller Skating Causes Claims

NEW YORK, Nov. 15.—Roller skating, particularly at night, which has become a fad in many eastern cities, is responsible for a considerable number of automobile liability claims, a survey by the National Bureau of Casualty & Surety Underwriters disclosed. The bureau has issued a safety program designed to lessen the hazard.

it is regarded as applying also to fire and casualty business.

House Count as Basis for Hotel Liability Criticized

PLAN REJECTED BY BUREAU

Does Not Recognize Exposure in Sections Used by Those Who Are Not Guests of Hotel

LOS ANGELES, Nov. 15.—A statement has been issued by the Los Angeles Casualty Association regarding the occupied room basis for rating hotel elevator and public liability coverage, which is being offered to members of the Southern California Hotel Association. The National Bureau of Casualty & Surety Underwriters was queried regarding the plan of giving a hotel a return premium or credit for unoccupied rooms and it investigated the situation thoroughly, securing special claim experience. As a result, the National Bureau reported that rates now being charged are inadequate and no reduction could be granted and the governing committee ruled against a "house count" basis rating.

According to the Los Angeles association the house count does not recognize the exposure in the portions of the hotel used by the public who are not guests. "This comprises a very substantial exposure, particularly in the larger hotels, and is probably responsible for a very considerable percentage of the area losses. This is true particularly in hotels which are used frequently for conventions, banquets, dinners and other affairs attended by the outside public. The present developed experience for hotels, as well as for other classes of building risks, recognizes the fact that there will be a certain amount of non-occupancy from year to year. This average non-occupancy condition is reflected in the manual rates which are based upon this experience."

"It is true that for the past few years the depression has had a very serious effect upon the hotel business, with the result that the percentage of unoccupied rooms has increased. To offset any reduction in the exposure resulting from this condition, it is known that there has been a very substantial increase in claim frequency. This condition has been induced by the depression itself. People who in normal times have had sufficient to live on comfortably, and would never think of making a claim for damages in event of slight injuries, have become claim-minded during the past few years because they have had very much less to live on. Comparatively slight injuries have been exaggerated and have resulted in demands for substantial damages."

Back Seat Driving Held Duty by Nebraska Court

LINCOLN, NEB., Nov. 15.—The supreme court of Nebraska has held that it is not only the right but the duty of wives to engage in back seat driving of automobiles. In *Murphy vs. Shibaya*, the court held that the negligence of a husband while driving an automobile with his wife as a guest is not to be imputed to her, but that she cannot recover damages from another party to a collision because she is responsible for the consequences of her own negligence in failing to warn her husband of approaching danger and to protect her own safety against his recklessness. *Murphy* drove his car down grade on a slippery pavement, and recovery is denied the wife because she did not warn him of the obvious danger of such a course.

CASUALTY PERSONALS

L. F. Middlebrook, secretary of the Hartford Steam Boiler, finds time away from his duties to write interestingly and authoritatively on some phases of Connecticut history. Recently there came from his pen the story of Capt. Gideon Olmstead, Connecticut privateersman. Mr. Middlebrook has completed recently a genealogy of the Middlebrook family. This work has been attractively printed and complies with all of the rules and regulations of those

who specialize in genealogical history. The Middlebrook family was among the earliest settlers in Connecticut, going there about 1630, first near Fairfield, Conn.

F. Bertram Alldredge, who was vice-president of the Lion Bonding of Omaha and who left Omaha some six or eight years ago to take an agency with the Occidental Life of Los Angeles in its accident department, is now living in

Berkeley, Cal., and has his office in San Francisco. The recent death of his father, Francis B. Alldredge, who had been in the life insurance business in Des Moines for 50 years, and the resulting confusion of names, led to an erroneous announcement of the death of the younger Alldredge, as the initials were the same.

Arthur E. Childs, president of the Columbian National Life of Boston, died last week. He was prominent in utilities in New England. Inasmuch as his company wrote accident and health as well as life he was interested in all branches. At one time he was vice-president of the Insurance Federation of America, served as president of the International Association of Casualty & Surety Underwriters and had been a member of the governing committee of the Bureau of Personal Accident & Health Underwriters.

Fred W. Fort, Jr., who has been re-elected assemblyman from Essex county, N. J., on the Republican ticket, is being favorably mentioned as floor leader in the lower house. He is connected with the Travelers at Newark, N. J.

Vice-President **Eugene F. Hord** of the Fireman's Fund Indemnity, in charge of its eastern business, has gone on a vacation for several months to rest and regain his health. During his absence the work will be in charge of his competent assistants.

Mr. Hord has been an indefatigable and incessant worker. He has charge of all the territory of the Fireman's Fund Indemnity east of the Mississippi river and probably 80 percent of the company's income therefore is derived from his department. He has spent day and night in his office, looking after in-

numerable details as well as deciding important questions.

E. Milton Smith, who has been manager of the public official division of the depository department of the Fidelity & Deposit home office, has joined the production department of that company and the American Bonding. He fills the vacancy caused by the election of H. L. Dunn as first vice-president of the American Bonding. For eight years, ending 1928, Mr. Smith was an attorney in the claim department. He then became a member of the underwriting staff of the contract department, being later superintendent of the central division. He then was promoted to his position most recently held.

Pressure of engagements at the office compelled **J. A. Beha**, general manager of the National Bureau of Casualty & Surety Underwriters, to postpone his intended visit to the Pacific coast at this time until after the close of the year. The situation in the territory, with respect both to the surety and the casualty business, is reported to have shown improvement of late. The Pacific Indemnity of Los Angeles, which thus far has pursued an independent course, has indicated a willingness to consider cooperation, which if it be brought about, will go a long way toward settling the troubles that have beset the casualty line in the territory for a considerable time past.

Though not entirely up to his old-time form, **H. S. Ives**, special counsel of the Association of Casualty & Surety Executives, has so far recovered from his recent illness as to be again at his office, alert to keep track of developments in the general casualty and surety field.

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CHANGES IN CASUALTY FIELD

Fidelity & Deposit Changes

Number of Men Have Secured Promotion at the Hands of the Company

H. W. McComb, who has been special agent of the Fidelity & Deposit in Atlanta, has been appointed assistant manager of the Memphis branch. **W. E. Shaw**, special agent at Buffalo, has been transferred to Atlanta in a similar capacity. **C. C. Kessler** of the home office production department has been appointed special agent assigned to Buffalo. **A. C. Soeder**, formerly special agent in Detroit and more recently in Buffalo, has been made assistant manager at the latter office. **W. A. Hein**, formerly special agent at Memphis, has been transferred to the Newark, N. J., office. **W. D. Bollinger** of the home office claim department has been transferred to the Chicago field claim office.

Names San Francisco Manager

G. W. Christensen has been named branch manager of the San Francisco office of the Angelus Indemnity of Los Angeles, which recently opened offices in San Francisco.

Hargrave to Practice Law

H. W. J. Hargrave, who recently resigned as general claims manager and counsel of the eastern department of the Fireman's Fund Indemnity, has entered the general practice of law at 26 Platt street, New York City. He will maintain a complete and efficient service for the investigation and adjustment for all types of claims.

Mr. Hargrave has had a wide experience in the casualty field. He was trial attorney for the Indemnity of North America and later assistant superintendent of the claim department in

New York City for the same company. He then organized, as manager, the claim department of the National Bureau of Casualty & Surety Underwriters. On leaving the bureau he organized and administered the law and claims work for the eastern department of the Fireman's Fund Indemnity.

Lord Agency Is Expanding

The **W. E. Lord Company** of Cincinnati will move Dec. 13 to the Citizen's Bank building. The new offices will cover the entire second floor and as a result the agency has doubled its floor space. At the same time it plans to expand its agency force. The Lord agency is the largest agency in Cincinnati specializing in accident and health insurance.

Ward Northwest Special Agent

R. D. Ward will hereafter be located in Seattle as special agent for the Commercial and Metropolitan Casualty in Washington and the panhandle of Idaho. He has been with the group for a number of years. He will have headquarters in the Alaska building.

W. S. McCrea, Spokane local agent, has just returned from a trip to Washington, D. C. While there he conferred with President Franklin D. Roosevelt.

New Jersey Official Charges Fraud

Insurance Commissioner **Kelly** of New Jersey has brought suit at Wilmington, Del., on behalf of the Public Indemnity which was taken over by the International Reinsurance against that company and its receivers. He is endeavoring to have the agreement entered into Jan. 11, this year, when the International took over the Public Indemnity, set aside on ground of fraud. The commission seeks to have the court order return certain assets.

WORKMEN'S COMPENSATION

Conclude Silicosis Hearings

Competition from Other States without Occupational Disease Benefits Hinders Wisconsin Employers, Says Attorney

MILWAUKEE, Nov. 15.—Representatives of labor and employers in the stone, quarry and foundry industries appeared before the special state legislative interim committee's investigation of the silicosis hazard here. Employers, claiming that they are being hard hit by the large increase in compensation insurance rates against occupational diseases, maintained that the high rates bring destructive competition from such businesses in other states where silicosis compensation is either non-existent or less than in Wisconsin. Labor spokesmen, however, opposed any reduction, denied that competition from other states threatened the Wisconsin industries, and predicted that similar compensation would in time be adopted all over the country.

"The foundry industry of Milwaukee will not grow because Illinois, Minnesota and Michigan have no occupational disease compensation law," said Arthur Doe, Milwaukee attorney, protesting the high rates. "The rapid increase in silicosis cases has terrified some industries to an extent not altogether justified." Changes in the law that will reduce litigation are desirable and allowance of definite sums is a step in the right direction, Mr. Doe said. Medical knowledge of silicosis so far is limited and the number of cases will increase in the future as means of detection improve.

Payment of \$500 to workers in the first stage of silicosis, \$1,500 to those in the second stage, with \$6,200 as the maximum payment in case of death would reduce insurance costs, be a gain to labor and make it possible for industries affected to live, the witness said. Compensation now can run as high as \$6,000 for a death and \$21 a week up to 1,000 weeks for total disability, it was explained. The last legislature cut this rate in half, a move that was vetoed by Governor Schmedeman. The Milwaukee meeting is the last to be held by the committee. It will report on its findings to the next session of the legislature, with recommendations for possible changes in the present laws governing compensation insurance. Observers at hearings were of the opinion that no attempt will be made to provide for a state fund.

Special Rate Plan in Kansas

TOPEKA, KAN., Nov. 15.—The only bill passed so far at the special session of the Kansas legislature is one relating to compensation rates, the effect of which is somewhat uncertain.

The bill provides that where companies do not file rates for certain operations or where the rates are too high, then the employer and the insurance carriers may negotiate and develop a rate of their own. This rate must be filed but it applies only to the individual risk for which it is specially prepared. In the debate on the bill it was said that many road contractors were unable to obtain protection and that the bill might enable them to obtain the needed insurance.

Missouri Rate Hearing

JEFFERSON CITY, MO., Nov. 15.—A hearing is being held here today by Superintendent R. E. O'Malley on a proposed new schedule of compensation rates filed by the National Council on Compensation Insurance. Under the proposed schedules some classifications will be reduced about 12 percent, while others are raised as much as 29 per-

cent. Rating experts of the insurance department who have been studying the new rates estimate the probable average of the proposed increase at 7 percent. The 800 classifications covered by the schedule are divided into three general groups—contracting, manufacturing and "all others."

A 29 percent increase in rates is asked for the contracting group. The manufacturing group proposed rates are reduced about 12 percent and the miscellaneous classes increased about 9 percent.

Last June the department approved an 8 percent increase for 85 classifications to cover the occupational disease hazards.

Supplement State Fund Cover

OKLAHOMA CITY, Nov. 15.—The Maryland Casualty has filed with the Oklahoma insurance board for its approval an employers liability policy for employers who have obtained their compensation coverage from the Oklahoma state fund. For the coverage the company proposes to use 30 percent of the

present manual rates for workmen's compensation insurance.

National Council Meeting

The annual meeting of the National Council on Compensation Insurance will be held in New York City Dec. 7.

Fidelity-Surety Activities

Short Term Bond Situation in Michigan Is Considered

DETROIT, Nov. 15.—The present situation in regard to short term bonds in Michigan was the principal topic of discussion at a well attended meeting of the Surety Association of Michigan here with President A. C. Clark, manager of the Standard Accident's Detroit branch surety department, in the chair.

Short term bonds are the bugaboo of the surety business at present, due to the fact that a law was passed by the last legislature which apparently makes it unnecessary for township treasurers to secure short term bonds protecting state

and county funds collected by them. The consensus was that a policy of watchful waiting be adopted. What attitude the state and county treasurers will take in this matter is debatable, but it seems probable that a ruling on the matter will be sought from the attorney-general.

Hear Bond Underwriting Talk

NEWARK, Nov. 15.—At the luncheon-meeting of the Surety Underwriters Association of New Jersey, George A. Roualet of the insurance division of Dun & Bradstreet spoke on bond underwriting. He warned the members of tighter contract bond underwriting due to the constant changing of the labor situation and urged a more careful check-up on contractors.

Signs Large Contract Bond

The Aetna Casualty & Surety has arranged for the execution of a contract bond of \$1,572,895 on behalf of the Dravo Contracting Company of Pittsburgh. It runs in favor of the United States in connection with the construction of the Gallipolis lock and dam in the Ohio river to be built for the contract price of \$3,145,791. This project has been undertaken to improve navigation in the Ohio river and is made pos-

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firmly established

Continental, founded in 1897, has stood impregnable against the many financial and economic disturbances which have swept the country.

It has grown steadily, becoming one of the foremost multiple line insurance organizations now operating. It is stable, firmly rooted, and its DURABILITY is unquestioned.

In view of past and present business conditions, the value of a Continental connection is obvious.



CONTINENTAL CASUALTY ASSURANCE COMPANIES

CHICAGO

ILLINOIS

sible through the provisions of the National industrial recovery act. The Aetna Casualty has arranged the necessary co-surety with a number of other leading American surety companies.

Schofield Speaks at Cleveland

CLEVELAND, Nov. 15.—E. J. Schofield, vice-president Globe Indemnity, spoke at a meeting of the Surety Club

of Cleveland on the advisability of exercising caution on the underwriting of long liability and the necessity of developing new lines of bonding business to take the place of inactive lines such as depository, blue sky, contractors, etc., which have been unprofitable. He stressed the fidelity bond field as an avenue of greater activity. Officers will be elected at a dinner meeting Nov. 21.

man, Continental Casualty, succeeds A. J. Demeree of the Preferred Accident as vice-president. This will be Mr. Hislop's seventh term as president, although his service in that post has not been consecutive.

Automatic Rate Hike May Result

(CONTINUED FROM PAGE 23)

safety organization. This was done because to be entitled to the credit the plant's safety work must have been in force for 90 days.

Men in the field often considered that if an employer installed a safety organization and was sincere in his intention to maintain it on a high scale, insurance men should not quibble over a rule. There was sufficient latitude in the application of schedule rating, there being the judgment factor on the part of the inspector, especially on the safety side, so that the maximum credits might be given when the plant was not entitled to them.

Schedule rating was designed to give a risk credit for actually devoting time to safeguarding the plant, and to compensate the employer for spending time, thought and money in behalf of his employees' welfare, and correspondingly to penalize the careless or irreconcilable employer.

Expect Equity Rating Advance

Equity rating undoubtedly will be resorted to much more in future as the result of withdrawal of schedule rating. At least the effort to obtain equity rates will be made. Companies probably will be loath to pass on the requests to the National Bureau. How far this will be permitted to go remains for the future to determine. As in the past, the deciding factors will be the importance of the agency making the request, its influence with its companies, the amount of premiums which it remits, etc., as well as the matter of how desirable the particular risk may be to the present carrier.

In the immediate past few equity rates have been made on new business, save when the risk has been carried by an independent company. Requests which are directed to the individual companies in the bureau, which in turn take the matter up with the bureau, have been due largely to pressure from influential agents. Equity rating can apply to any risk which has been, in the vernacular of the trade, "sweet."

Agents fear that withdrawal of schedule rating will seriously affect the obtaining of penalty rates on risks which have turned sour, a treatment which many agents have found to be highly beneficial in forcing careless assureds to improve their safety work.

One of the developments which is anticipated in the field as a result of withdrawal of schedule rating is stiffening of requirements for qualification for experience rating.

The action of the National Council on Compensation Insurance bulletined by the National Bureau, as stated in THE NATIONAL UNDERWRITER last week, applies only in states where approval of state authority is not required. The authorities in other states are being notified of the intention to eliminate schedule rating. The effective date is Dec. 31, and not Dec. 1, as was stated.

The plan in the past has been applied only to industrial types of risks, indicated in the manual by the letter "S" after each classification. These risks have constituted a goodly percentage of all risks written. On the average, it is said, they represent upwards of 10 percent by number of all workmen's compensation risks written in this country, and approximately a third if measured by premium volume.

New Program Announced

A program for classification of inspections will become operative in all jurisdictions under the administrative

bureaus of the National Council on Compensation Insurance. At the outset attention will be directed to risks "which appear to be most susceptible to incorrect classification and underwriting treatment," notably, mercantile plants, storage and warehouses, manufacturing risks not previously subject to schedule rating, contracting risks having fixed locations, large contracts of state and political sub-divisions, other contracting operations involving a payroll in excess of \$25,000, quarries, mines and oil operations.

To Follow With Reinspection

As a measure of economy, inspections are to be assigned field men. As soon as the general inspection of risks is completed, their reinspection will be started, the work to be undertaken periodically with a maximum elapsed period of five years, depending on the relative importance of the risk.

In their work inspectors will be expected to pay particular attention to the following features of each risk: the warehousing, sales, clerical, delivery and similar service, the number of employees engaged in each occupation; corporate affiliations of the individual risk; if operations are conducted at other locations; also operations of major proportions falling within contracting classifications, these to include the name of the contractor and any sub-contractors, and a description of their activities.

Data Available to Companies

Upon receipt of the inspection reports it will be the duty of the National Council to classify all risks in accordance therewith; to determine whether the payroll and rating data are correct, and to see that risks are written by carriers in accordance therewith. The essentials of every classification inspection will be available to any inquiring company.

Schedule rating as applied to compensation risks was adopted in 1913 when the first manual was prepared by Carl M. Hansen, then secretary of the National Workmen's Compensation Service Bureau. Though based upon the Dean schedule system of writing fire risks, it was not nearly so refined as the latter, making its application comparatively easy. As experience developed the schedule was revised and improved from time to time, work in which the late E. Downey, for years head of the Pennsylvania State Fund, contributed materially.

As standards for machinery installation and operation were determined by many states, employers and labor organizations, the need for the requirements in the rating schedule became of minor consequence, underwriters concluding that a far more sensible method of determining risk costs was that based upon loss experience, which plan of course will be continued, the rate for each risk being fixed by its loss record for the preceding five years.

Through this plan every inducement is held out to the manufacturer to safeguard, in so far as may be possible, the liability of accidental injury to his employees. Emphasis henceforward will be laid by casualty inspectors on educating assureds along safety lines.

That the schedule rating method had outlived its usefulness had been a growing conviction of underwriters for a long time. The feeling became a certainty when results of rate determination in Missouri, where schedule rating was barred by the state commissioner, were disclosed, and again when the National Council completed its study of 5,000 risks taken at random the country over.

CONSIDER OKLAHOMA FILING

OKLAHOMA CITY, Nov. 15.—The Oklahoma insurance board has taken under advisement a filing to discontinue schedule rating of workmen's compensation. F. F. Lafon, manager Oklahoma Compensation Rating Bureau, pointed out that much time was spent by the bureau in schedule rating small risks and others of certain classification on which schedule adjustment changes but little from year to year.

CASUALTY ASSOCIATION NEWS

Talks on Suretyship Ethics

G. K. Thompson Addresses Des Moines Casualty & Surety Club—Join New Iowa Insurance Federation

DES MOINES, Nov. 15.—G. K. Thompson, Cedar Rapids, attorney for the Surety Association of America in Iowa, addressed the Des Moines Casualty & Surety Club Monday on "Ethics of Suretyship."

"I am not a detective," Mr. Thompson said. "I must have complaints on contract bond rebating submitted in writing with definite facts on what bond, project, agent, etc., are involved in the rebating. I will furnish the machinery to prosecute rebating, but the information must come from agents or from someone who knows the facts of the case." He appealed to insurance men in general to assist him in his work.

At the meeting, over which President Frank Noble presided, K. G. Ellsworth and Fred Appel were named in charge of the Christmas party to be held Dec. 11.

J. Dillard Hall, Iowa manager U. S. F. & G. and newly elected president of the Insurance Federation of Iowa, made a plea for active support of the

federation. The Casualty & Surety Club voted to join the federation.

John Kimball of the Iowa insurance department spoke briefly on the department's plan for an agents' reference index to which companies and field men are asked to report reasons for cancellation of agents' licenses. The plan, now in effect, is a compromise plan mainly to clear up the agents' balance situation, since Commissioner Clark has refused to adopt the plan endorsed by the Commissioners' Convention for reporting delinquent agents. Mr. Kimball asked for the cooperation of agents in reporting reasons for cancellation of licenses.

Discuss Finance Plan

CLEVELAND, Nov. 15.—The Cleveland Casualty Association November meeting was given over to a discussion of the new standardized finance plan which the bureau is reported to be working on. This proposed plan, it is said, would take the place of multiple plans now in force. A proposed new automobile policy, reported under consideration, was also discussed.

C. O. Ransom, prominent local agent and president of the Insurance Board of Cleveland, and A. S. Andrews of the U. S. F. & G. were elected to membership.

ACCIDENT AND HEALTH FIELD

To Have Weekly Round Table

Innovation to Be Tried Out by Chicago Accident & Health Club—Other Club Activities

Plans were announced at the November meeting of the Accident & Health Insurance Club of Chicago Monday for informal weekly round table sessions on a year-round basis, with one particular topic for discussion each week. A table will be reserved in the grill room of the Midland Club each Monday for members who desire to participate in these discussions. They will provide the means of closer contact among the membership than is possible at the regular monthly meetings and are expected to be of great value. The plan was approved by the directors at their last meeting and formally presented to the club at this time.

William Clendenin, insurance research authority, gave a brief review of the early history of accident and other forms of casualty insurance, starting with a form of travel insurance written

at the time of the crusades, describing some of the "freak" coverages offered in the 16th century and some of the unusual contracts underwritten by London Lloyds.

* * *

J. F. Ballinger, director of welfare of Detroit, outlined the welfare situation there before the Accident & Health Managers' Club of Detroit at its meeting Nov. 13.

* * *

The Accident & Health Club of San Francisco held its regular monthly luncheon meeting Nov. 13. Discussion centered around the proposed second study course to be sponsored by the organization. Registrations on hand assure more than the necessary number for two more such study classes, according to officers of the club.

J. G. Ferguson Resigns

Jim G. Ferguson has resigned as vice-president in charge of agencies and manager of the accident and health department of the Continental Life but will continue in that same line of work.

Claim Men Reelect Hislop

Dr. W. D. McNally, well known toxicologist of Chicago and formerly associated with the Cook county coroner's office, was the speaker before the Chicago Claim Association at the November meeting. His subject was "The Role of the Chemist in the Detection of Crime," dealing especially with supposed suicides that proved not to be such.

At the election of officers, T. W. Hislop, Great Northern Life, president; L. L. Phelps, Great Northern Life, treasurer, and Garfield Donovan, Benefit Association of Railway Employees, secretary, were reelected. Ernest H. Free-

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The course includes correction of your answers to the examination questions. Worth while for all casualty men.

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This book gives a broad survey of present day automobile insurance. It analyzes the physical and moral hazards involved in underwriting and loss adjusting, and points out the best practice for the producing agent to follow.

The beginning underwriter will derive a sound foundation in this branch of insurance. The experienced underwriter will find this book a profitable review of the sound principles he uses daily.

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A training course for the agent who wants to have a complete but brief schooling on fire and allied lines. Ideal for the man entering the business and for the man of experience who wants to check his knowledge and efficiency.

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A Manual for Fire Insurance Agents

This book, bound in red leather, answers 268 questions on rules, methods, requirements and principles of agency practice—all direct, clean-cut, satisfying.

Over 150,000 insurance men have learned the first rules of the business from it. This book is as essential to the fire insurance man as the dictionary is to the literary man.

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By Wm. H. Bates

Mr. Bates, an experienced and successful general agent, originally wrote this book as a sales manual for his own salesmen and agents.

A clean-cut description of the various covers and principal underwriting points involved daily are taken up. You are told who the prospects are and the selling arguments to be used. Actual examples point out the hazards insured against.

This simple practical guide to casualty insurance and surety is welcome by casualty men everywhere.

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The Handbook of Fidelity and Surety Bonds

By George R. Wentz

His book is a complete survey of the principles of fidelity and surety bond underwriting and is written for the practical, daily needs of the man in the field.

It tells you how to underwrite bonds in the large city or small town for Banks, Building and Loan Association, Contractors, Lawyers, Public Officials, etc.

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THE EUROPEAN GENERAL

REINSURANCE COMPANY, Ltd.

*Twenty-Second Annual Statement United States Branch
December 31, 1932*

ASSETS

Government Bonds	\$ 1,543,865.00
Municipal Bonds	260,000.00
Railroad Bonds	3,063,115.50
Public Utility Bonds.....	4,671,344.30
Miscellaneous Bonds	94,312.00
Railroad Stocks.....	409,992.13
Public Utility Stocks.....	2,025,617.50
Miscellaneous Stocks.....	492,604.60
<small>New York Insurance Department Valuations.</small>	
Mortgages	1,293,052.00

\$13,853,903.03

Premiums in course of Collec- tion (not over 90 days)....	1,035,660.69
Interest Accrued	152,345.89
Cash in Banks and in Office..	157,635.40
All Other Assets.....	37,904.72

\$15,237,449.73

LIABILITIES

Reserve for Losses (other than Liability)	\$ 2,856,267.83
Reserve for Losses (Liability and Compensation).....	3,184,868.12
Reserve for Unearned Pre- miums	3,131,553.32
Reserve for Commissions....	435,165.03
Reserve for Taxes and other expenses	442,740.04
Contingency Reserve	2,166,824.53
Special Reserve	520,030.86

\$12,737,449.73

Deposit Capital..\$	850,000.00
Surplus over Lia- bilities and De- posit Capital..	1,650,000.00

Surplus to Policyholders..... 2,500,000.00

\$15,237,449.73

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